

2024 SAMAA Annual General Meeting



**Thursday
7 March 2024**

Venue: The EAA Auditorium
Hurricane Road, Rand Airport*.
In-person and via MS Teams. Time 18:30.

Agenda

1. Welcome
2. Attendance. Apologies. Opening.
3. Minutes of the 2023 AGM. Corrections. Acceptance
4. Matters arising from these minutes
5. Chairman's Report. Acceptance
6. Treasurer's Report
 - a. 2023 Budget vs Actual
 - b. 2023 Audited Financial Statements
 - c. 2024 Budget
Acceptance
7. General Manager's Report. Acceptance
8. Report on election of 2024-2025 management committee
9. Agenda points raised by members of the Association
10. Closing

Please support the AGM

The SAMAA is your association!

*More information is available from the SAMAA office, 010-824-8343
or admin@samaa.org.za, or from the SAMAA chairman.*

*The South African Model Aircraft Association
www.samaa.org.za www.samaa.co.za*



**From M48 Rand Airport Road, take Hurricane Gate opposite the Germiston High School.
Drive 270m to the t-junction (guard house). Turn right through the motorised palisade gate.
Drive 120m, following the left turn in the road. Continue for another 50m and park in the
triangular grassed area straight ahead. Enter the EAA Auditorium on the right.*



Minutes

SAMAA Annual General Meeting 09 March 2023, 18:30.

Hybrid AGM, in-person and MS Teams

<i>Member name</i>	<i>Present / Apologies</i>	<i>Member name</i>	<i>Present / Apologies</i>
Linda Dold	Present/Venue	Percy Attfield	Apology
Burt Botha	Present/Venue	Richard Knaggs	Apology
Juanita Smith	Present/Venue	Jaco Henn	Apology
Marietjie Skinner	Present/Venue	Jacques Botha	Apology
Danie Potgieter	Present/Venue		
Roston Dugmore	Present/Venue		
E Verseput	Present/Venue		
Martin Venter	Present/Venue		
Alec Groenewald	Present/Venue		
Boet Denysschen	Present/Venue		
Marthinus Potgieter	Present/Venue		
Dirk Meyer	Present/Venue		
Johan Groenewald	Present/Venue		
Ludwig Groenewald	Present/Venue		
Terry Hamilton	Present/Venue		
Bruce Lotriet	Present/Venue		
Chris Allsopp	Present/Venue		
Greg Allsopp	Present/Venue		
Donald Dold	Present/Venue		
Jasper Van Eden	Present/Venue		
Allen Fraser	Present/Teams		
Andre	Present/Teams		
Barry van der Vyver	Present/Teams		
Charl Jooste	Present/Teams		
Chris De Lange	Present/Teams		
Daniel Ralefeta	Present/Teams		
Deon Du Rand	Present/Teams		
Dylan Prentice	Present/Teams		
Henry Kurowski	Present/Teams		
Jaco	Present/Teams		
James Roney	Present/Teams		
Johan Blom	Present/Teams		
Johan Kruger	Present/Teams		
John Withers	Present/Teams		
Justin	Present/Teams		
Kobus	Present/Teams		
Kobus Els	Present/Teams		
Marius	Present/Teams		
Peter	Present/Teams		
Peter Lott	Present/Teams		
Pierre J	Present/Teams		
Piet	Present/Teams		
Pieter Herbst	Present/Teams		
Sarel Venter	Present/Teams		
Stefan Scheepers	Present/Teams		
Stephan Strydom	Present/Teams		
Steve Lotter	Present/Teams		
Wayne Urquhart	Present/Teams		
Yvette Steyn-Churchman	Present/Teams		
Zander Groenewald	Present/Teams		



	Burt Botha opened the meeting at 18:36	INFO
1	Welcomed all to the meeting. Rules of engagement (as read by Alec Groenewald). Member to raise hand on the MS Teams platform before speaking.	INFO
2	Attendance and apologies – as per register above. Confirmed quorum with members present.	INFO
3	Quorum and validity of meeting. a) Statements of conflict of interest.	
4	Minutes of the 2022 AGM: Corrections and acceptance. – Nil Martin Venter proposed acceptance of minutes, seconded by Donald Dold.	INFO
5	Matters arising from the 2022 AGM minutes. Page 1 of 4 – Nil Page 2 Of 4 - Point 5 - To fill the vacant positions a bi-election needs to be held. Will pursue this. Page 3 of 4 – Nil Page 4 of 4 – Point 8 - Vacancies on the committee? To be discussed at next SMC meeting to fill the posts. Action taken for matters arising: Bulk email was sent to all paid SAMAA members on 03 June 2022, with all information on the bi-election and the nomination form. Dirk Meyer co-opted as Club Representative and filling post as SIG chair. Matter arising, actuation was made that the SAMAA Constitution was manipulated, it was dealt with right after 2022 AGM.	INFO
6	Chairman’s report. As read by Burt Botha. Peter Lott – How many members were generated by the #IMUSTFLY program. AG – Had over 20 thousand views. Started tracking the new members, on how they heard of SAMAA, majority indicated by word of mouth.	INFO
7	Financial report, delivered by Burt Botha In line with the SAMAA constitution, attached please find the financial report for the financial year ending December 2022. This report covers the activities of the SAMAA Treasurer for the period 01 January 2022 to 31 December 2022. Attach to this report the following annexures: <ul style="list-style-type: none"> • The 2022 approved budget versus actual expenditure. • The 2022 Audited Financial Statements; and • The 2023 proposed budget. <p>1. <u>Budget versus actual expenditure (2022)</u></p> <ul style="list-style-type: none"> a) The members who attended the 2022 AGM approved and expenditure of R1 356 948 against an estimated income of R1 320 500, thus an approved deficit of (R36 448) b) Despite the SMC’s best efforts to curtail expenditure during the 2022 financial year, we ended with an audited loss of (R197 405). This was 	INFO

	<p>largely due to the fact that we had a loss in membership income totaling R236 293</p> <p>2. <u>Audited financial statements (2022)</u> The audited financial statements for 2022 as attached, reflect the following information of interest to our members:</p> <ul style="list-style-type: none"> i) Operating loss of R328 336 ii) Net loss of R197 928 iii) Equity of R2 544 733 iv) Total cash on hand R2 536 867 <p>2022 Audited Financial Statements accepted; Proposer - Marthinus Potgieter, secondant – Johan Groenewald.</p> <p>3. <u>2023 Budget for approval</u></p> <ul style="list-style-type: none"> a) The SMC has drafted the estimated budget for approval by members. We estimate an income of R 1 054 395 against an estimated expenditure of R1 223 922, thus an estimated deficit of R169 527. The amount for marketing and development will be capped and spent having due consideration to expenditure. Our salary account far exceeds the acceptable industry norm (15% to 30%) for salary cost against gross income. Our current ratio is 50%. Available cash on investment R1 714 215. b) Our total current membership at present is 2 158 members. The membership breakdown as follows: <ul style="list-style-type: none"> i) Junior member (121). ii) Regular member (1 126). iii) Senior member (911). c) The SMC recommends and increase in membership fees, which is estimated to generate an additional income of R115 275 based on our current membership total, to take effect in 2024, as follows (possibly immediately to curtail estimated deficit): <ul style="list-style-type: none"> i) Junior member to remain at R250 to R270 per annum (R20) ii) Regular member from R510 to R590 per annum (R80) iii) Senior member from R335 to R360 per annum (R25) <p>2023 Nationals budget not finalised yet. Comment was made that the 2023 SAMAA budget cannot be approved on a deficit amount.</p> <p>Suggestion that SAMAA office staff to work from home, on saving in costs.</p> <p>Awareness campaign, focus on clubs on an incentive scheme. Promotional budget for 2023, reduced from R139 930 to R70 000.</p> <p>Proposal was made to increase Senior membership fee to R590 from 01st January 2024, majority of AGM attendees voted in favour of this. SAMAA membership fees increase in 2024: Junior – R270, Regular – R590, and Senior (60+years) R590.</p> <p>2023 Budget. Proposer – Johan Groenewald. Secondant – Dirk Meyer</p> <p>4. <u>2023 Expenditure to date</u></p> <ul style="list-style-type: none"> a) We have for the months January 2023 to February 2023 spent an amount of R202 271 against an income of R232 000 (surplus of R29 730) that needs to be condoned by the members at the AGM 	
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	2023 Budget. Proposer – Johan Groenewald. Secondant – Dirk Meyer	
8	General Manager's report. As published. Acceptance. Proposer – Burt Botha, Secondant – Donald Dold	INFO
9	Marketing Was discussed under 2023 Budget.	
10	General a) SAMAA Constitution – Will arrange a SGM were the Constitution needs to be changed, all information will be circulated to the SAMAA members. All members attending, and that a 75% vote at that quorum will carry that vote to change, voted in favour for this motion. At the 2023 expects that, that motion will be brought into the Constitution for future and not be changed. Looking at three or four changes. b) SAMAA Corporate wear – The new SAMAA corporate wear was introduced. To be pre-ordered.	
11	Agenda points raised by members of the Association – Nil	
10	Meeting was closed at 21:18.	

CHAIRMAN'S REPORT 2024 SAMAA Annual General Meeting

My tenure as Chairman has come to an end and it was a privilege being part of the SAMAA Management Committee for the past four years. My modelling career started at a young age and serving was an appropriate manner to give back to the hobby.

As at the end of December 2023, the SAMAA had 78 registered clubs, with a membership total of 1 763. Our membership breakdown is 96 juniors, 917 regular members and 750 senior members. During the 2023 year we had 196 members that joined. The SAMAA registered three clubs during the year.

Sadly, some of our SAMAA members passed away during the year and our sincere condolences go out to their family members. Our current membership number is placing strain on the SAMAA financial reserves, and fiscal discipline is becoming the order of the day.

We had two SACAA audits during the year, and we had no adverse audit findings or observations at our annual ARO renewal audit. The SAMAA ARO certificate has been renewed until February 2025.

On insurance, our good relationship continues with KEU Underwriters, through our broker Steve Filby. We will continue our association with KEU for the foreseeable future.

We had a very successful 2023 Nationals, with eight disciplines and just under 80 entries in the various classes. We received sponsorship from five companies/individuals and without sponsorships the Combined Nationals simply will not be able to continue in the future. This year the Nationals will again be held at Middelburg at the end of April 2024.

On the team selection front, we had four of our SIGs (Gliding, Pylon, FPV and F3A Aerobatics) sending teams to the respective World Championships in 2023. Our teams, and individuals, achieved excellent results, with our juniors taking the podium in their respective classes. Congratulations to Jonathan Heath (F3A Aerobatics) who placed third in the junior class. The F3K junior team consisting of Nicole Goodrum, Rhys Smit and Cayden Davies placed third as a team. Nicole Goodrum also managed to capture 1st place in the junior ladies class. Michelle Goodrum place 2nd in the ladies senior class.

There were several organised events during the year that could be enjoyed by our members. There were also a host of smaller fly-ins and club events that members could participate at. I thank all club chairmen for their efforts to grow R/C flying in their respective regions. The clubs are the ultimate feeding ground for new members and world participation.

Bob Skinner reached retirement age and the SMC agreed to offer Bob a consulting position in order for us not to lose out on his vast years of service. I have known Bob for close to 30 years and I am glad that we can still continue the relationship with him.

In closing, my sincere thanks to the SAMAA Management Team for the support, effort, and dedication to our wonderful hobby.

Burt Botha

07 March 2024

FINANCIAL REPORT

In line with the SAMAA constitution, attached please find the financial report for the financial year ending December 2023. This report covers the activities of SAMAA for the period 01 January 2023 to 31 December 2023. Attach to this report are the following annexures:

- The 2023 approved budget versus actual expenditure;
- The 2023 Audited Financial Statements; and
- The 2024 proposed budget.

1. Budget versus actual expenditure (2023)

- a) The members who attended the 2023 AGM approved an income of **R1 054 395** against an estimated expenditure of **R1 173 982**, thus an approved deficit of **(R119 587)**
- b) Despite the SMC's best efforts to curtail expenditure during the 2023 financial year, we ended with an audited Operating Loss of **(R458 438)**, compared to a 2022 operating loss of **(R328 336)**. This was largely due to the fact that we had a loss in membership income totaling **R154 728**. The remainder of the over expenditure **(R303 710)** mainly comprises of GM salary (six months R131 707), marketing, office expenditure and SAMAA Combined National costs.

2. Audited financial statements (2023)

The audited financial statements for 2023, as attached, reflect the following information of interest to our members:

- i) Operating loss of **R458 438**;
- ii) Net cash loss from operating activities n of **R287 035**;
- iii) Equity/liability of **R2 264 060**;
- iv) Total cash on hand **R2 249 832** (note 3), SAMAA portion of available cash **R1 423 837** as the remainder is ring fenced for SIG purposes to generate income for attendance at World Championships.

In presenting the Audited Financial Statements our appointed Auditor raised a caution that efforts must be made to curtail expenditure. The statements are prepared on a going concern basis, which assumes that the organisation will continue to receive income from its members, its only real source of income.

3. 2024 proposed budget for approval

- a) The SMC has drafted an estimated budget for approval by the members. In order to not present a deficit budget, the SMC decided that in the interim our staff members will work from home. We decided not to renew our office for the 2024 financial year.

- b) The SMC also received numerous requests from pensioners indicating that they simply cannot pay the membership fee of R590 as approved at the 2023 AGM. The SMC agreed, that as an interim measure, to allow members that could show just cause why they could not afford the new fees, to pay a reduced amount of R380 per annum until the matter of reduced pensioner fees can be tabled at the 2024 AGM.
- c) We estimate a conservative income of **R1 225 750** against an estimated expenditure of **R1 104 778**, thus an estimated surplus of **R120 972**. This is conditional on the fact that no more than 200 members are awarded a discounted membership rate. The amount for marketing will be capped. The estimated surplus is also conditional on the fact that the 2024 SAMAA Nationals does not record any deficit. Our salary account still far exceeds the acceptable industry norm (15% to 30%) for salary cost against gross income. Our current ratio is 42,36%. Available cash as at 31 January 2024 is **R2 306 745**.
- d) Our membership at present is **1 763**. A breakdown as follows:
- i) Junior members (96 down from 121);
 - ii) Regular members (917 down from 1 126); and
 - iii) Senior members (750 down from 911).
- e) The SMC recommend an increase in membership fees of +- 6%, which is estimated to generate an additional membership income of **R54 275**, to take effect in January 2025, as follows:
- i) Junior member (85) from R270 to R285 per annum (R15) giving an estimated increase in revenue of **R1 275**;
 - ii) Regular member (850) from R590 to R625 per annum (R35) giving an estimate increase in revenue of **R29 750**;
 - iii) Senior member (550) from R590 to R625 per annum (R35) giving an estimate increase in revenue of **R19 250**; and
 - iv) Senior member (200) from R380 to R400 per annum (R20) giving an estimate increase in revenue of **R4 000**.

**SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
2024 SAMAA PROPOSED AGM BUDGET**

Account details	Proposed Budget 2024	Percentage 2024	Percentage 2023	Approved Budget 2023	Actual 2023
INCOME	1 225 750,00	100	100	1 054 395,00	1 103 528,34
Membership Income Reg	501 500,00	40,91	54,46	574 260,00	478 599,73
Membership Income Jnr	22 950,00	1,87	2,87	30 250,00	23 175,00
Membership Income Snr	324 500,00	26,47	28,94	305 185,00	0,00
Membership Income Snr Discounted	76 000,00	6,20	0,28	0,00	245 011,61
Newsletter Advertising	1 800,00	0,15	0,11	3 000,00	1 800,00
Promotional Items- Clothing Badges	32 000,00	2,61	13,28	1 200,00	32 216,00
Bank & Investment Interest	186 000,00	15,17	0,00	140 000,00	186 434,00
Marketing Income	0,00	0,00		0,00	11 610,00
Nationals 2024 Income (entry fee)	60 000,00	4,89	0,00	0,00	117 360,00
Nationals 2024 Income (potential sponsorship)	20 000,00	1,63		0,00	
Other	1 000,00	0,08	0,05	500,00	7 322,00
EXPENSES	1 104 778,88	100	100	1 173 982,49	1 397 444,10
GENERAL EXPENSES	5 000,00	0,45	0,47	5 500,00	4 720,79
Bank Charges	5 000,00	100,00	100,00	5 500,00	4 720,79
AERO CLUB	70 900,00	6,42	5,62	66 000,00	88 469,82
Aero Club (Awards Dinner)	17 000,00	23,98	18,18	12 000,00	39 603,04
Aero Club (Subscriptions)	41 000,00	57,83	65,15	43 000,00	40 616,78
Aero Club (Memberships)	11 000,00	15,51		11 000,00	0,00
FAI Licenses	1 900,00	2,68	0,00	0,00	8 250,00
ACCOUNTING	59 000,00	5,34	4,90	57 500,00	57 504,00
Accounting Fees (Annual Audit)	9 000,00	15,25	13,04	7 500,00	7 500,00
Accounting Fees (Treasurer Honorarium)	50 000,00	84,75	86,96	50 000,00	50 004,00
DEVELOPMENT	63 000,00	5,70	9,63	113 000,00	97 380,25
Development - Proficiency Badges	3 000,00	4,76	2,65	3 000,00	2 760,00
Development - Marketing	40 000,00	63,49	17,70	20 000,00	5 000,00
ARO Compliance Consultant	20 000,00	31,75	0,00	0,00	0,00
SAMAA Marketing	0,00	0,00		20 000,00	0,00
Air Week / Promotional Expenses	0,00	0,00	106,06	70 000,00	89 620,25
Exhibition Expenses	0,00	0,00	0,00	0,00	0,00
STAFF EXPENSES	501 728,88	45,41	42,28	496 305,49	634 012,05
General Manager Salary	236 274,00	47,09	48,16	239 005,00	339 550,03
General Manager (PAYE)	21 330,00	4,25	2,87	14 244,00	62 193,50
GM Disbursements (Phone)	0,00	0,00	0,00	0,00	0,00
GM Manager Travel	0,00	0,00	0,20	1 000,00	0,00
Office Assistant Salary	203 709,00	40,60	39,42	195 653,00	195 557,00
Office Assistant (PAYE)	24 165,00	4,82	4,52	22 428,00	22 564,00
Assistant to GM Travel	0,00	0,00	0,00	0,00	0,00
Annual Appraisal Bonus	0,00	0,00	0,00	0,00	0,00
UIF	4 250,88	0,85	1,74	8 648,59	8 147,52
Workman Compensation (Provision)	0,00	0,00	0,67	3 326,90	0,00
News letter	12 000,00	2,39	2,42	12 000,00	6 000,00
TRAVEL	1,00	0,00	0,43	5 000,00	1 250,00
SMC Members	1,00	100,00	100,00	5 000,00	1 250,00
MEDIA	35 649,00	2,67	2,60	30 500,00	26 303,22
Website Hosting	5 000,00	14,03	9,51	2 900,00	4 277,00
Website Maintenance	15 000,00	42,08	49,18	15 000,00	10 828,20
Hardware Maintenance	0,00	0,00	0,00	0,00	979,00
Software	6 000,00	16,83	11,48	3 500,00	5 934,02
Pastel Annual Fee	4 649,00	13,04	13,44	4 100,00	4 285,00
Internet	5 000,00	14,03	16,39	5 000,00	0,00

SIG AND TEAM GRANT	70 000,00	6,34	10,48	123 000,00	119 000,00
Special interest Groups	60 000,00	85,71	53,66	66 000,00	60 000,00
Team Grants	10 000,00	14,29	46,34	57 000,00	59 000,00
SAMAA INSURANCE/OFFICE INSURANCE	103 000,00	9,32	8,18	96 000,00	95 441,21
Insurance (Members and Office)	103 000,00	100,00	100,00	96 000,00	95 441,21

Account details	Proposed Budget 2024	Percentage 2024 %	Percentage 2023	Approved Budget 2023	Actual 2023
OFFICE EXPENSES	196 500,00	17,79	15,43	181 177,00	273 362,76
Office Rental (WATER AND ELECTRICITY)	35 000,00	17,81	46,92	85 000,00	80 383,96
MISCELLANEOUS	4 000,00	2,04	5,88	5 000,00	3 329,90
CAA - Expenses relating to Audits	2 000,00	1,02	2,76	5 000,00	925,00
Office Furniture	0,00	0,00	0,00	0,00	0,00
Membership cards	8 000,00	4,07	6,08	11 017,00	5 980,00
Printer	6 000,00	3,05	0,00	0,00	0,00
Expenses (Meetings & AGM)	1 000,00	0,51	2,21	4 000,00	676,30
Refreshments	0,00	0,00	0,55	1 000,00	1 110,12
Cleaning	0,00	0,00	0,28	500,00	6 045,00
Postage	9 000,00	4,58	4,97	9 000,00	6 609,35
Promotional Clothing (Items)	30 000,00	15,27	0,00	0,00	29 620,19
Stationery and Ink Cartridges	8 500,00	4,33	11,04	20 000,00	7 831,47
Storage	0,00	0,00	0,00	0,00	0,00
Telephone & Fax	3 000,00	1,53	2,21	4 000,00	2 339,13
Training	0,00	0,00	0,00	0,00	0,00
Nationals 2024 Expenses	90 000,00	45,80	20,23	36 660,00	128 512,34

SURPLUS / DEFICIT	120 971,12			-119 587,49	-293 915,76
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Cash on Hand

BANK BALANCE @ month end
NASA Account (Part of Current Account from July 2021)
ABSA INVESTMENT SAMAA Account
Nationals Opening Figure for the Year 2022
ABSA SIG INVESTMENT Account

Total Cash on Hand

Increase / Decrease

Closing Balance for 2023

32 931,43
3 190,07
1 383 708,06
820 628,34
2 240 457,90

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
(REGISTRATION NUMBER PBO 930030082)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

DJ Crauwcamp
Professional Accountants (SA)
These financial statements have not been audited or independently reviewed.
Issued 15 February 2024

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
 (REGISTRATION NUMBER: PBO 930030082)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

GENERAL INFORMATION

ACCOUNTING PERIOD	The twelve months ended 31 December 2023
MANAGEMENT MEMBERS	B Botha J Smith
REGISTERED OFFICE	Office 40 and 41 Meerzicht Business Park 33 Kelly Road JETPARK 1459
INDEPENDENT COMPILER	DJ Crauwcamp Professional Accountants (SA)
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	To actively promote the construction and regulation of the safe flying of model aircraft in South Africa
COUNTRY OF INCORPORATION AND DOMICILE	South Africa
POSTAL ADDRESS	PO Box 7116 BONAERO PARK 1622
BANKERS	Nedbank MENLYN CENTRE
PREPARER	The financial statements were internally compiled by: Chantelle Viljoen Professional Accountant (SA)

The reports and statements set out below comprise the financial statements presented to the shareholder:

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SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
(REGISTRATION NUMBER: PBO 930030082)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

CHAIRMAN'S RESPONSIBILITIES AND APPROVAL

The management committee are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The management committee acknowledge that they are ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the chairman to meet these responsibilities, the management committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The management committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The management committee have reviewed the association's's cash flow forecast for the year to 31 December 2024 and, in the light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 4 to 13, which have been prepared on the going concern basis, were approved by the management committee on 15 February 2024 and were signed on its behalf by:



B Botha



DJ CRAUWCAMP INC

PROFESSIONAL ACCOUNTANTS (SA) | INCOME TAX PRACTITIONERS

15 February 2024

REPORT OF THE INDEPENDENT COMPILER

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

We have performed the duties of independent compiler to South Africa Model Aircraft Association for the year ended 31 December 2023 as per the International Financial Reporting Standards for Small and Medium-sized Entities.

We have examined the financial statements set out on pages 4 to 13 based on the information and explanations provided by the director. The director is responsible for the financial statements.

The management of the company is closely linked to the involvement of the manager, who is also a director of the company.

Where independent verification of the financial records were not available, we obtain the assurance of the director of the completeness and accuracy of the financial records.

The financial statements have been prepared on the going concern basis which assumes that the company will continue to receive the support of its creditors and that adequate finance will be obtained.

The procedures performed in compiling the annual financial statements are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. We cannot express an opinion on these annual financial statements.

D J CRAUWCAMP INC
PROFESSIONAL ACCOUNTANT (SA)

Director: D Crauwcamp

Professional Accountants (SA): M Crauwcamp, E de Bruyn, C Viljoen, N Kotze, M Adlem Senior Tax Administrator: L Swart

Reg No. 2013/186147/21

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SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
 (REGISTRATION NUMBER: PBO 930030082)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL POSITION

	Note(s)	2023 R	2022 R
ASSETS			
NON-CURRENT ASSETS			
Tangible assets	2	<u>1,774</u>	<u>6,712</u>
CURRENT ASSETS			
Trade and other receivables		12,454	11,154
Cash and cash equivalents	3	<u>2,249,832</u>	<u>2,536,867</u>
		2,262,286	2,548,021
TOTAL ASSETS		<u>2,264,060</u>	<u>2,554,733</u>
EQUITY AND LIABILITIES			
EQUITY			
Retained income	4	<u>2,246,960</u>	<u>2,518,979</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		15,055	26,318
Provisions	5	<u>2,045</u>	<u>9,436</u>
		17,100	35,754
TOTAL EQUITY AND LIABILITIES		<u>2,264,060</u>	<u>2,554,733</u>

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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STATEMENT OF COMPREHENSIVE INCOME

	Note(s)	2023 R	2022 R
Revenue	6	754,967	896,499
Other income		72,869	5,970
Operating expenses		(1,286,274)	(1,230,805)
OPERATING LOSS		(458,438)	(328,336)
Investment revenue	13	186,434	130,550
Finance costs	14	(15)	(142)
LOSS FOR THE YEAR		(272,019)	(197,928)

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STATEMENT OF CHANGES IN EQUITY

	Retained income R	Total equity R
Balance at 01 January 2022	2,716,907	2,716,907
Loss for the year	(197,928)	(197,928)
Balance at 01 January 2023	<u>2,518,979</u>	<u>2,518,979</u>
Loss for the year	(272,019)	(272,019)
Balance at 31 December 2023	<u>2,246,960</u>	<u>2,246,960</u>

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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STATEMENT OF CASH FLOWS

	Note(s)	2023 R	2022 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from members		873,536	892,021
Cash paid to suppliers and employees		(1,346,987)	(1,206,164)
CASH USED IN OPERATIONS	15	<u>(473,451)</u>	<u>(314,143)</u>
Interest income		186,431	130,550
Finance costs		(15)	(142)
NET CASH FROM OPERATING ACTIVITIES		<u>(287,035)</u>	<u>(183,735)</u>
TOTAL CASH MOVEMENT FOR THE YEAR		<u>(287,035)</u>	<u>(183,735)</u>
Cash and cash equivalents at the beginning of the year		2,536,867	2,720,602
TOTAL CASH AT END OF THE YEAR	3	<u>2,249,832</u>	<u>2,536,867</u>

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 TANGIBLE ASSETS

Tangible assets are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one period.

Tangible assets is initially measured at cost.

Tangible assets is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

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 association.

The useful lives of items of tangible assets have been assessed as follows:

Computer equipment	33.33%
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Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Where major components of an item of tangible assets have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

1.2 IMPAIRMENT OF ASSETS

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.3 PROVISIONS AND CONTINGENCIES

Provisions are recognised when the association has an obligation at the reporting date as a result of a past event; it is probable that the association will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

ACCOUNTING POLICIES

1.4 REVENUE

Revenue is recognised to the extent that the association has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the association. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.5 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	35,760	(35,755)	5	35,760	(35,755)	5
Office equipment	40,760	(40,758)	2	40,760	(40,758)	2
Computer equipment	40,303	(38,537)	1,766	40,303	(33,599)	6,704
Other property, plant and equipment	2,250	(2,249)	1	2,250	(2,249)	1
Total	119,073	(117,299)	1,774	119,073	(112,361)	6,712

RECONCILIATION OF TANGIBLE ASSETS - 2023

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	5	-	5
Office equipment	2	-	2
IT equipment	6,704	(4,938)	1,766
Other property, plant and equipment	1	-	1
	6,712	(4,938)	1,774

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	4,008	3,994
Nedbank	32,931	34,834
SAMAA investment	1,386,898	1,661,590
SIG investment	825,995	836,449
	2,249,832	2,536,867

4. ACCUMULATED FUNDS

Retained Income / (Accumulated Loss)	2,518,979	2,716,907
Net Income (Loss)	(272,019)	(197,928)
	2,246,960	2,518,979

5. PROVISIONS

RECONCILIATION OF PROVISIONS - 2023

	Opening balance	Additions	Utilised during the year	Reversed during the year	Closing balance
Aero club award evening	6,000	-	(6,000)	-	-
Aero club	3,436	1,922	-	(3,436)	1,922
Nationals expenses	-	123	-	-	123
	9,436	2,045	(6,000)	(3,436)	2,045

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

	2023 R	2022 R
6. REVENUE		
Junior membership	23,175	35,400
Regular membership	482,690	578,363
Senior membership	249,102	282,736
	<u>754,967</u>	<u>896,499</u>
7. PROMOTIONAL ITEMS AND ADVERTISING		
Marketing (income)	11,610	-
Promotional Items - Clothing	31,488	315
Promotional Items - Coffee Mugs	-	260
Promotional Items - Proficiency Badges	728	600
SAMAA Newsletter - Income	1,800	3,025
	<u>45,626</u>	<u>4,200</u>
8. ACCOUNTING FEES		
Fees	<u>7,500</u>	<u>7,500</u>
9. COMPUTER EXPENSES		
Internet - Mweb/Afrihost	4,277	4,401
Newsletter Costs - Bobs fee	6,000	-
Software	5,934	1,330
Webpage - I-Ball	10,828	33,731
Website maintenance	979	-
	<u>28,018</u>	<u>39,462</u>
10. EMPLOYEE COST		
Salaries and wages	623,938	662,415
UIF Company Contribution	4,074	4,251
Workmens Compensation	-	3,327
	<u>628,012</u>	<u>669,993</u>
11. INSURANCE		
Short-term insurance	<u>95,441</u>	<u>95,271</u>
12. REPAIRS AND MAINTENANCE		
Repairs & Maintenance	<u>80</u>	<u>2,068</u>

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

	2023 R	2022 R
13. INVESTMENT REVENUE		
INTEREST REVENUE		
Bank	186,434	130,550
14. FINANCE COSTS		
SARS	15	142
15. CASH USED IN OPERATIONS		
Net loss before taxation	(272,019)	(197,928)
ADJUSTMENTS FOR:		
Depreciation, amortisation, impairments and reversals of impairments	4,938	4,938
Movement in provisions	(7,391)	2,189
Other non-cash item included in profit or loss	-	(1)
Investment income	(186,434)	(130,550)
Finance costs	15	142
CHANGES IN WORKING CAPITAL:		
(Increase) decrease in trade and other receivables	(1,300)	(4,973)
Increase (decrease) in trade and other payables	(11,260)	12,040
	(473,451)	(314,143)

SOUTH AFRICAN MODEL AIRCRAFT ASSOCIATION
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

DETAILED INCOME STATEMENT

	Note(s)	2023 R	2022 R
REVENUE	6	754,967	896,499
OTHER INCOME			
Aero club, Insurance and postage income		24,289	1,270
Donations received		-	500
Marketing income		11,610	-
Promotional items and advertising	7	34,016	4,200
Team fund		2,954	-
		72,869	5,970
OPERATING EXPENSES			
AGM expense		-	1,300
Accounting fees	8	7,500	7,500
Aero club awards evening		42,403	6,000
Aero club of South Africa fees		56,092	41,272
Bank charges		4,721	4,703
Bi-weekly competitions		3,300	200
CAA - expense		925	8,458
Cleaning and consumables		7,155	3,709
Computer expenses	9	28,018	39,462
Depreciation		4,938	4,938
Employee costs	10	628,012	669,993
Fun fly fund expense		-	4,530
Honorarium		50,004	45,000
Insurance	11	95,441	95,271
Marketing		94,620	44,000
Meeting refreshments		676	2,684
Membership cards		5,980	-
Municipal charges		-	32,147
Office manager telephone		-	369
Office manager travel		-	915
Office staff travel		50	-
Postage		8,940	9,080
Printing and stationery		7,831	19,592
Professional fees		-	59,836
Promotional items - proficiency badges and clothing		32,380	3,550
Rent paid		80,384	41,745
Repairs and maintenance	12	80	2,068
SMC disbursements		1,200	1,755
Special interest group - Competition fund		60,000	60,000
Special interest group - Team fund		59,000	10,000
Staff welfare		-	298
Storage		-	2,915
Subscriptions		4,285	3,932
Telephone		2,339	3,583
		1,286,274	1,230,805
OPERATING LOSS		(458,438)	(328,336)
Investment income	13	186,434	130,550
Finance costs	14	(15)	(142)
		186,419	130,408
LOSS FOR THE YEAR		(272,019)	(197,928)

GENERAL MANAGER's REPORT – 2024 SAMAA Annual General Meeting

This report covers the activities of the SAMAA administration office, the General Manager and the SAMAA Administrator, for the reporting period March 2023 to March 2024.

Get involved...

"How do I make a meaningful contribution to the development of our hobby and sport, and the SAMAA?" This is a question that must be asked by every aeromodeller in our country. The answer to this question of course is simply, "Get involved".

There are several ways to become involved, and you may not realise it, but many members are already involved to a greater or lesser extent. If you serve on a club's committee and you are tasked with organising a fun event, or fly-in, or competition, you are creating an opportunity for your fellow club members to become involved. Other members may have a yearning for competition, and without conscious thought, you may be helping a fellow competitor or a friend, by assisting at start-up, or calling. You have become involved. No activity can thrive in isolation, and in the current climate and mind-set of individualism, we need more people to become involved.

Get involved...

Last year we advertised for nominations for SAMAA members to serve on the Management Committee. The return was disappointing, almost audibly "I don't want to get involved". Well, if it were left to one or two individuals, we can hardly expect to have favourable outcomes. If more members get involved, it lessens the load on a few individuals, who may just get burnout if the load is not shared.

The future of many other hobbies and pastimes does not look good, as more and more people choose not to get involved, practicing their hobby and sport in isolation. Aeromodelling by its very nature is not a team sport, unless in the context of a world championship. Let's altogether make an effort to get involved, and perhaps it is a good start to recruit a newcomer to our wonderful hobby, and more so, a junior member. Yes, aviation has largely lost its glamour, and perhaps a great proportion of the population consider our noble sport to be for juveniles. Encourage a friend, or a neighbour, or a work colleague, or a family member, or a kid on your block to get involved.

The SAMAA offices are still located in Jet Park, and we have a few members calling in person to either make payment for subscriptions, or collect membership cards, or simply pay a visit to say hello. Linda has been very diligent in ensuring compliance to our MOP and the Regulations, with occasional internal audits, keeping track of the myriad of documents, procedures, and policies. Of course these are made available to members, clubs, groups, and SIGs, and in this way, members become involved.

Our SAMAA clubs and members continue to use the airspace with responsibility. There has been an incident report where a full-size helicopter intruded a club's airspace, and landed while model flying was in progress. This naturally was reported to the SACAA, and we are awaiting the outcome of this complaint. We continue to enjoy the benefits of a good insurance policy, to protect our members against any claims that may arise as a result of incidents or accidents, to both members and third parties and their property. We have not made any claims, attesting to the fact that our members act in a safe and responsible manner.

As a matter of routine our office sends e-cards to members, the most reliable method of ensuring members have proof of membership. As Burt already mentioned, our ARO renewal was extremely successful, with no observations, or findings. The SAMAA's ARO certification has been extended to February 2025.

The members of the SAMAA management committee have regular virtual meetings with each other, and authorities. There is continuous oversight, great regular communication, compliance, competition, and development. The SMC is tasked to lead the association and to provide guidance. Linda and I would like to thank the members of the management committee for their willingness to be involved. It would be easy for them to say "get someone else, I don't want to be involved".

The SAMAA History Preservation Project is ongoing, and occasionally we receive new donations. Your donations are exhibited in the SAMAA offices and are recorded.

To close this short report, it is the duty of every SAMAA member to become involved, to use your time at the club, or at the hobby shop, or at events, to positively promote aeromodelling, to promote your club, and to promote the SAMAA, and to identify young members and older members to join. We all share a common responsibility to grow the hobby, and there's no better way, than getting involved.

The SAMAA is a respected recreational and sporting aviation organisation, with structured activities. We conduct our affairs in a safe, responsible, accountable, transparent, professional, and self-managed way. We have a duty to our Association, its members, our clubs, the public, and our hobby/sport.

Bob Skinner

Alberton. 20 February 2024

Newly elected 2024 – 2025 SAMAA Management Committee Members

In August 2023, the SMC issued a notification announcing the commencement of the nomination and election process for members to serve on the SAMAA Management Committee for the 2024-2025 term. The elected Committee members will be officially ratified at the upcoming AGM.

After the call for nominations, we have received only two nominations:

1. Alec Groenewald: Currently serving as Vice-chair/Compliance Officer.
2. Dirk Meyer: Currently serving as SIG Chair/Club Representative.

We extend our appreciation to Alec Groenewald and Dirk Meyer for their willingness to serve on the SAMAA Management Committee and for their continued dedication to SAMAA.

The SMC members will be assisted from Bob Skinner (General Manager), Juanita Smith (Treasurer), and Linda Dold (Administrator), along with Charl Jooste Jnr, the newly appointed Chairperson of the Special Interest Groups.