



Advancing
Transformation
for a **Sustainable**
Architectural
Profession

ANNUAL REPORT
2019 | 2020



South African Council
for the Architectural Profession

Established under the Architectural Profession Act no 44 of 2000





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PART A

General Information





GENERAL INFORMATION

Registered name	South African Council for the Architectural Profession (SACAP)
Physical address	51 Wessel Road, Right Wing Rivonia, Sandton 2128 South Africa
Postal address	PO Box 1500 Rivonia 2128
Telephone number	+ 27 11 479 5000
Fax number	+ 27 11 479 5100
External auditors	PriceWaterhouseCoopers
Bankers	First National Bank Nedbank Investec Bank

LIST OF ABBREVIATION

Stakeholders (National)

BCO	Building Control Officer
CBE	Council for the Built Environment
CBEPs	Councils for the Built Environment Professions
CC	Competition Commission
CHE	Council on Higher Education
CIDB	Construction Industry Development Board
DAC	Department of Arts and Culture
DEAT	Department of Environmental Affairs and Tourism
DLA	Department of Land Affairs
DHET	Department of Higher Education and Training
DOL	Department of Labour
DPW	Department of Public Works
DTI	Department of Trade and Industry
ECSA	Engineering Council of South Africa
NHBRC	National Home Builders Registration Council
NPA	National Prosecuting Authority
NRCS	National Regulator for Compulsory Specifications
QCTO	Quality Council for Trade & Occupations
SACLAP	South African Council for the Landscape Architectural Profession
SACPVP	South African Council for Property Valuers Profession
SACPCMP	South African Council for Project & Construction Management Profession
SACQSP	South African Council for Quantity Surveying Profession
SAPS	South African Police Service
SAQA	South African Qualification Authority

Acts of Parliament and Policy Frameworks

APP	Annual Performance Plan
The Act	The Architectural Profession Act, 2000 (Act No. 44 of 2000)
CA	The Competition Act (No. 89 of 1998)
EEA	Employment Equity Act (No. 55 of 1998)
NQF	National Qualifications Framework Act (No. 67 of 2008)
OHSA	Occupational Health and Safety Act (No. 85 of 1993)
PFMA	Public Finance Management Act (No. 29 of 1999)

Stakeholders (International)

ACE	Architects' Council of Europe
AUA	African Union of Architects
ARB	Architectural Regulations Board
CA	Canberra Accord
CAA	Commonwealth Association of Architects
RIBA	Royal Institute of British Architects
UIA	Union of International Architects



Stakeholders (Architectural Learning Sites)

CPUT	Cape Peninsula University of Technology
DUT	Durban University of Technology
NMU	Nelson Mandela University
UCT	University of Cape Town
UFS	University of the Free State
UJ	University of Johannesburg
UKZN	University of Kwa-Zulu Natal
UP	University of Pretoria
TUT	Tshwane University of Technology
WITS	University of the Witwatersrand

Recognised Stakeholders (Voluntary Association)

CIfA	The Cape Institute for Architecture, CIfA, a Region of SAIA (South African Institute of Architects)
FACE	Freedom Architecture Consulting Empowerment
GIfA	Gauteng Institute for Architecture, a Region of SAIA
PIA	Pretoria Institute for Architecture, a Region of SAIA
SAIA BKIA	SAIA Border-Kei
SAIA EC	SAIA Eastern Cape
SAIAFS	SAIA Free State
SAIA KZN	SAIA Kwa Zulu Natal
SAIA	South African Institute of Architects
SAIBD	South African Institute of Building Design
SAID	South African Institute of Draughting NPC
IID	The African Institute of Interior Design Professions
SAIAT	The South African Institute of Architectural Technologist NPC

SACAP Programmes

RPL	Recognition of Prior Learning
NASF	National Architecture Student Forum
WiASA	Women in Architecture South Africa

SACAP's Registered Persons

CAD	C.Arch.Draught. (Candidate Architectural Draughtsperson)
CAT	C.Arch.T (Candidate Architectural Technologist)
CSAT	C.S.Arch.T. (Candidate Senior Architectural Technologist)
CANT	C.Arch. (Candidate Architect)
PAD	Pr.Arch.D. (Professional Architectural Draughtsperson)
PAT	Pr.Arch.T. (Professional Architectural Technologist)
PSAT	Pr.S.Arch.T. (Professional Senior Architectural Technologist)
PrArch	Pr.Arch. (Professional Architect)

Other

ARC	Audit and Risk Committee
BE	Built Environment
BN	Board Notice
CI	Corporate Identity
CoC	Code of Conduct
CPD	Continuing Professional Development
EduCom	Education Committee
HDI	Historically Disadvantaged Individuals
HoD	Heads of Departments (at ALSs)
InvCom	Investigating Committee
MOU	Memorandum of Understanding
MTR	Monthly Training Record
PDI	Previously Disadvantaged Individuals
PPE	Professional Practice Exam
PDP	Performance Development Plan
RP	Registered Person
WSP	Workplace Skills Plan



FOREWORD

by the President

The 2019-20 financial year will go down in history as one of the most challenging periods for humanity, all thanks to a tiny, unseen virus, COVID-19 (or the Coronavirus), which has ravaged, much of the world – leaving millions of dead people in its wake. While we may not yet know the scale of the devastation that the Coronavirus will leave behind, the one certainty is, as clichéd as it may be, that we can no longer continue as if it is ‘business as usual’. The post-COVID-19 world that must be imagined – which promotes healthy, livable spaces – must be led by the architectural profession. Placing the architectural profession at the heart of the new world that will be created following the pandemic will ensure that our sector remains relevant, and sustainable. It is often said that necessity is the mother of invention and this is the perfect time to help redesign our spaces.

Another issue that is gaining traction across the globe following the brutal killing of a black man, George Floyd, in the United States, by police in early 2020 is the #BlackLivesMatter movement, which has shifted from speaking only about the rampant scourge of killings of black people by police to becoming a drive to the recognize, support and promote of black people following centuries of systemic and institutionalized oppression. This global whirlwind of change has also caught us here in South Africa and forces us to ask painful-but-necessary questions about the transformation of our profession, and whether we have gone far enough to recognize the many black people who have given their lives to it.

These two global phenomena I spoke about earlier strike a chord with the theme for our Annual Report this year, which is Advancing Transformation for a Sustainable Architectural Profession. Transformation is a non-negotiable and is intrinsically linked to the sustainability of the architectural profession. Our profession must reflect the rich and diverse tapestry that is South Africa so that our spaces take cognizance of this reality.

For, indeed, the COVID-19 pandemic and transformation of our sector possible significant threats and opportunities for the architectural profession. If we do not address these matters adequately, the very sustainability of our profession, and others, could be under threat. Many Registered Persons are already feeling the financial pinch brought about by the lockdown and suspension of certain sectors. However, while the COVID-19 pandemic is expected to come to an end at some point, the challenges of not paying close attention to transformation and representativity risk making our profession stay out of touch which the people we are expected to serve.

SACAP's mandate

As it is known, the *raison d'être* of the South African Council for the Architectural Profession (SACAP) is to ensure that the core mandate of SACAP, which includes protecting the public; setting standards for persons education and training, professional skills, conduct, performance and ethics; keeping a register of persons who meet the standards; approving programmes which persons must complete to register; and taking action when registered persons on the register do not meet the standards.

We derive these responsibilities from the Architectural Profession Act 2000, (Act No 44 of 2000) which we make real through pursuing the following strategic goals:

1. Transform the Profession and Architecture in society (collaboration),
2. Grow and develop Architecture and the Profession,
3. Regulate the Architectural Profession to protect the public,
4. Ensure public awareness of Architecture and the Profession, and
5. SACAP institutional excellence.

Our work as the regulator of the architectural profession further supports the following national outcomes:

- Decent employment through inclusive growth;
- An efficient, competitive and responsive economic infrastructure network;
- Responsive, accountable, effective and efficient local government;
- Protect and enhance our environmental assets and natural resources;
- Quality based education;
- A skilled and capable workforce to support an inclusive growth path, and
- A diverse, socially cohesive society with a collective national identity.

The Fifth Term Council – Walking the Transformation Talk

The appointment of SACAP's Fifth Term Council by Minister Thulas Nxesi on 18 April 2019 and the Council's inauguration 3 May 2019 were major milestones for transformation in the history of SACAP. We again congratulate Councillors of the Fifth Term Council who are as follows:

- Mr. Ntsindiso Charles Nduku (President),
- Ms. Letsabisa Shongwe (Vice President),
- Mr. Kevin Bingham,
- Ms. Mandisa Daki,
- Mr. Vusi Phailane,
- Mr. Lufuno Nematswerani,
- Dr Sitsabo Dlamini,
- Ms. Karuni Naidoo,
- Mr. Rowan Graham Nicholls,
- Mr. Mohammed Allie Mohidien, and
- Ms. Lwazikazi Ngodwane.

The Council also had a few old and new faces, displaying our commitment to transformation while also building much-needed capacity at the regulator. Importantly, four black women now sit at the table at one of the most important sectors of the Built Environment, a sector long known for its lack of representativity and transformation. It is important that we ensure that transformation of the sector, of which gender representation is key, is taken seriously by the profession. We can only respond to voices of anyone if we listen, listening includes being represented at those decision-making platforms.

While the COVID-19 pandemic hit the profession hard, much of the 2019/20 financial year was also a difficult year for the economy, with increasing joblessness and a credit rating downgrade killing business confidence.

However, even under those challenging conditions, SACAP has continued to deliver on its mandate despite vacancies that cannot be filled due to budgetary constraints.

Guideline Professional Fees and Scope of Work

After a lengthy process, the CBE on 9 October 2019 identified the scope of work for every category of registered persons for the architectural profession. The scope of work was published under Gazette Number 42739. This is a major milestone as the issue of the scope of work has been a bone of contention for our profession for some time now. The CBE's scope of work must be read in conjunction with SACAP's Identification of Work Policy which will be published by SACAP.

Much work has gone on to ensure that our Guidelines Professional Fees are in accordance with any legislation relating to the promotion of competition. We have engaged the Competition Commission around the fee guidelines as well.

Registration

There were 11 739 architectural professionals on the SACAP register at the end of the 2019/20 financial year. Of those 8 830 were male while 2 909 were female. Further, the number of blacks were almost half of whites (4 166/7573). Registration for Building Inspectors spiked following a successful national campaign to register this important category in our profession.

We have also undertaken several amnesty campaigns and workshops countrywide to try and encourage compliance with the Architectural Act of 2000 – which says it is illegal to practice architecture without being registered on the SACAP register.

Building SACAP's research capabilities

The period under review also saw us take massive steps towards boosting SACAP's research capabilities. Research will enable us to make better decisions about our profession and how we can take it to the next level. The Memorandum of Understanding (MoU) between us and the Council for Scientific and Industrial Research (CSIR) will help strengthen our research, development and innovation capabilities.

Standardization of Building Applications

Following concerns about the poor standard of building applications at municipalities, SACAP met with the Department of Trade and Industry and the World Bank Group on Construction permits to discuss the challenges and proposals. The Department of Trade and Industry and the World Bank Group on Construction are now developing a standard approval process for all local municipalities with the aim of improve the turnaround time for approval of Site Development and building plan applications.

Recognition of Prior Learning

In order to demonstrate that our commitment to 1) Transform the Profession and Architecture in society (collaboration) and 2) Grow and develop Architecture and the Profession, we need to put more effort in supporting the Recognition of Prior Learning programme. In the last financial year, only seven of the 17 candidates were granted Recognition of Prior Learning.

Simple systems must be put in place to ensure more black architectural professionals apply for Recognition of Prior Learning.

Voluntary Associations

The role of Voluntary Associations in the creation of a vibrant profession is critical. As they promote and protect the interests of their members, they also ensure that the profession is armed



with the latest skills and training. We truly value all the 13 VAs and encourage to continue engaging the regulator robustly, in the interests of their members.

Another Clean Audit

We are again proud to have received an unqualified audit where there were no material findings on non-compliance with key legislation. What is important to note is that this is for the second year in a row, indicating the Council's commitment to corporate governance and accountability.

Improving Relations with Stakeholders

As part of our plans to create open and active communication platforms to engage key stakeholders, we have expanded our reach on most social media platforms and website. We have also developed our newsletter and embarked on roadshows, workshops and exhibitions in order to get our message to as many people as possible.

Challenges

There is no doubt that many people in the architectural profession will be affected by the impact of the COVID-19 pandemic on the economy. Studies are already indicating that small businesses, of which many registered professionals are, will be hard hit. To mitigate against that, we have already extended the period of payment of fees for registered persons and will explore other

means of softening the impact of the Coronavirus on their businesses.

The Year Ahead

While conceding that times will be tough in the months or even years ahead as we begin to live in a world transformed by COVID-19 and other global phenomena, the architectural profession stands in a good position to help build a better, bug-proof world.

We also look ahead to the finalization of the Guidelines Professional Fees and the Identification of Work, a move which will certainly make many professionals sleep better at night.

Acknowledgments and Appreciations

I would like to thank my fellow SACAP Council Members for all their support since we began this journey as the Fifth Term Council. My appreciation also goes to the hardworking SACAP staff and all our partners and stakeholders. I would also like to thank my family for the unwavering support.

Mr Ntsindiso Charles Nduku
President

2020

CHALLENGING, BUT WE PERSEVERED

“This was one of the **most challenging years** for many organizations – first **many battled** the impact of our **tough economic climate**, then soon after our lives were interrupted by the **COVID-19 pandemic**. Despite those hurdles, **we persevered**, as this Annual Report attests”





REGISTRAR'S Report

It is an honour for me to have the opportunity to report back to our stakeholders on the work we have done in the past financial year (2019/20) to advance the mandate of the South African Council for the Architectural Profession (SACAP) as stipulated in the Architectural Profession Act of 2000.

It is my pleasure to report back to our stakeholders and account on how we spent the funds entrusted to us. It is important that SACAP is run in a transparent and accountable manner. Truth be told, this was one of the most challenging years for many organizations – first many battled the impact of our tough economic climate, then soon after our lives were interrupted by the COVID-19 pandemic. Despite those hurdles, we persevered, as this Annual Report attests.

The year under review was as exciting as it was challenging.

Appointment of Fifth Term Council

The year began on a positive note in terms of stabilizing the organization as the then Minister of Public Works, Thulas Nxesi, appointed the Fifth Term Council, which later elected Mr. Charles Ntsindiso Nduku as its President, with the former President, Ms Letsabisa Shongwe taking the position of Vice President. The composition of the Council is certainly a step in the right direction when it comes to transformation.

Registration

Following years of a decline in the number of Registered Persons, SACAP decided a few years ago to embark on roadshows across the country to promote registration. The message was clear: practicing architecture while not registered is a criminal offence. We further spelled out the benefits of registration, including adherence to international standards.

We also undertook a campaign to register Building Control Officers. The results of those efforts have been an increase in the number of Registered Persons from 10 638 in the last financial year to 11 739. This is actually quite an achievement considering the dire economic conditions in which we find ourselves. We will continue to engage stakeholders in order to grow the profession.

Concerns must be raised though that while we have managed to grow the numbers of Registered Persons, only one in four of our Registered Persons is female. Further, most of our Registered Persons are white males residing in the Gauteng Province. To change this picture, we will ensure increased awareness about SACAP transformation programs through Roadshows, Outreach and Exhibitions about Recognition of Prior Learning benefits and delegate mentors to assist Registered Persons with applications. We will, in partnership with relevant stakeholders, encourage designated groups who have experience in architecture with no qualifications to register with SACAP as Professional Architectural Draughtsperson. Importantly, we will introduce mentors for students from designated groups to help them through the years of studying architecture to increase the throughput while also promoting the architectural profession at school level, by an increased awareness at open days.

Identification of Work (IDOW)

Much work has gone into the finalization of the IDOW during the year under review. This includes, engaging on consultations with stakeholders, preparation of recommendations on the scope of work for each category of registered, submission of recommendations to the Council for the Built Environment (CBE) and the consultation with the Competition Commission.

The CBE has published scope of work for the Architectural Profession. We are in the process of publishing a detailed IDOW for the architectural profession.

Publication for Guidelines Professional Fees

Another issue which received quite some attention in the past financial year is the publication of the Guidelines Professional Fees, which many Registered Persons had indicated was having a negative impact on their businesses.

We are happy with the progress made so far, including obtaining fees survey results from SAIA and the appointment of an Actuary to undertake cost analysis. We have also engaged the Competition Commission extensively on the issue of Guideline Professional Fees. The next step is to consult all our recognized Voluntary Associations prior to the publication.

Regulation and Oversight

The Architectural Profession Act requires SACAP to take any steps it considers necessary for the protection of the public in their dealings with registered persons. There are many reasons for this, including the maintenance of the integrity and the enhancement of the status of the architectural profession.

In the year under review, SACAP received 154 complaints against registered persons and investigated 107 – translating to a 69.88% completion rate. We further conducted seven (7) workshops for registered persons about the Architectural Professional Act, Code of Professional Conduct and all regulations in the profession in order to reduce the number of incidents of transgression. The Code of Conduct has been reviewed and extensive workshops are to follow in order to ensure Registered Persons are aware of it.

We also submitted 38 complaints against unregistered person to the South African Police Service (SAPS).

Strengthening our Stakeholder Relations

Our stakeholders are very important to us and it is vital that we keep engaging them throughout the year. We are happy to note that much work and effort has gone into forging closer ties with key stakeholders so that we are able to deliver the mandate of SACAP. In the year under review we improved our presence on social media (Facebook, LinkedIn, Instagram, and YouTube) while also entering into strategic partnerships with the media. We continued to educate and empower interested people in our work through municipal and stakeholder workshops. And raising awareness and importance of architectural profession through media.

Clean Audit

It is with great pride that we can say that SACAP has once again obtained an unqualified audit with no material findings on non-compliance with key legislation. This is very important to us as we take transparency and accountability as sacrosanct.

Acknowledgment or Appreciation

For an organization to thrive – not just exist – it takes the efforts, talents and energies of many dedicated and talented individuals. That the South African Council for the Architectural Profession has managed to meet many of its targets as encapsulated in the Annual Performance Plan (APP) is not testament to the greatness of the conductor, but the hard work and harmony created by the orchestra.

I dedicate this report to the staff at SACAP for the dedication and support they have shown me since assuming my duties as the Registrar.

To the Minister of Public Works and Infrastructure, Ms Patricia de Lille, please receive our gratitude for the support and direction

you have shown. I also take off my hat to my colleagues at the Council for the Built Environment (CBE); Voluntary Associations, Registered Persons and the public for the passion they always show for this profession we all love so much.

I also doff my hat to my bosses, the Fifth Term Councillors, for the patience and understanding.



Advocate Toto Fiduli
Registrar



STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report is consistent with the Annual Financial Statements audited by the external auditors.

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the standards applicable to the public entity.

The accounting authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The accounting authority is responsible for establishing, and implementing a system of internal control, designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year that ended 31 March 2020.

Yours faithfully

Advocate Toto Fiduli
Registrar

Mr Ntsindiso Charles Nduku
President

STRATEGIC OVERVIEW

Vision

People-centred architecture for South Africa.

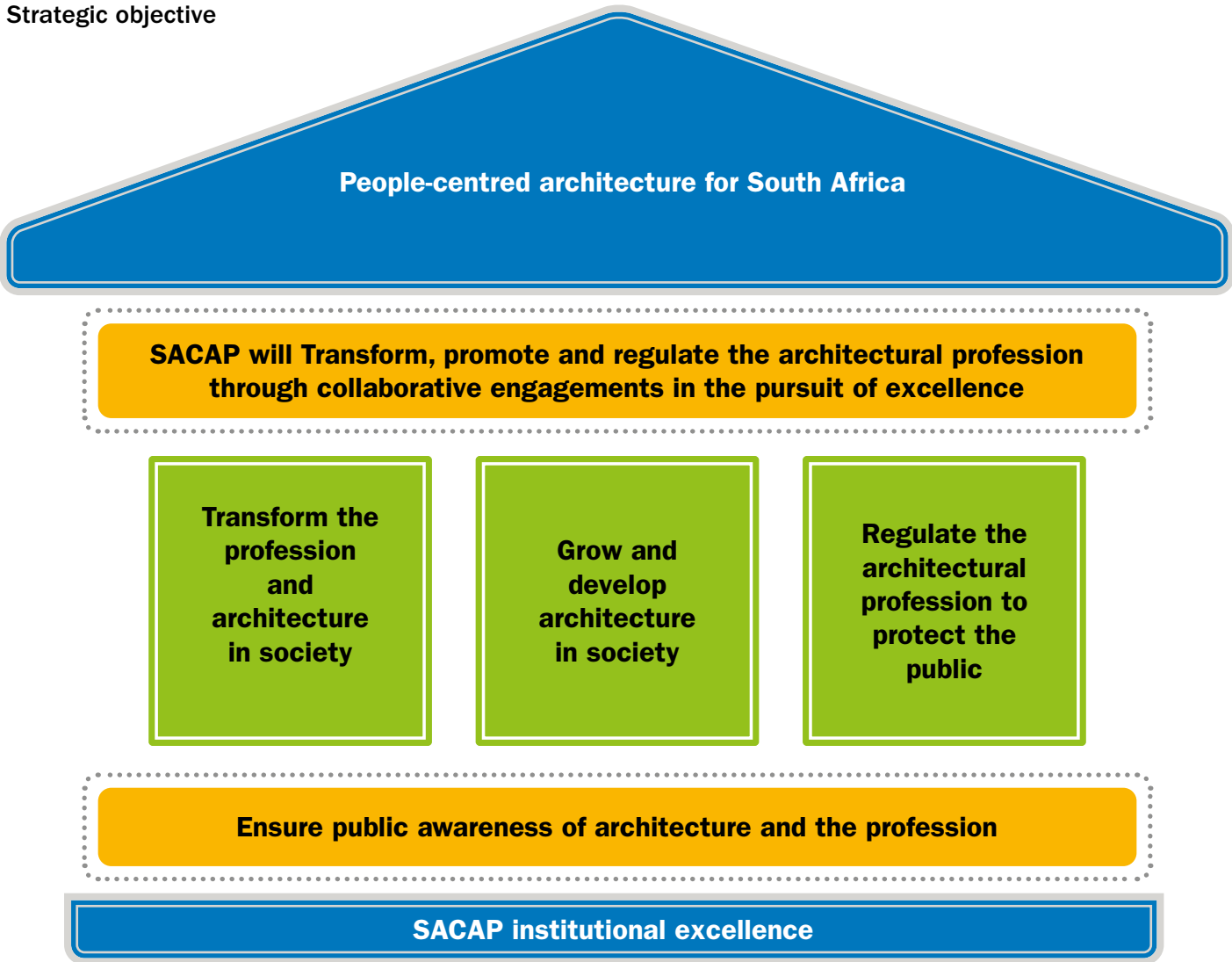
Mission

SACAP will **Transform**, promote and regulate the architectural profession through collaborative engagement in the **Pursuit of Excellence**.

Values

- Responsibility:** being accountable for our decisions and actions
- Excellence:** promoting high standards
- Integrity:** ethical behaviour, honesty and trustworthiness
- Respect:** ethos of dignity, tolerance and consideration
- Transparency:** appropriate disclosure of information and open debate
- Cohesiveness:** shared, coherent values and aspirations

Strategic objective





LEGISLATIVE AND OTHER MANDATES

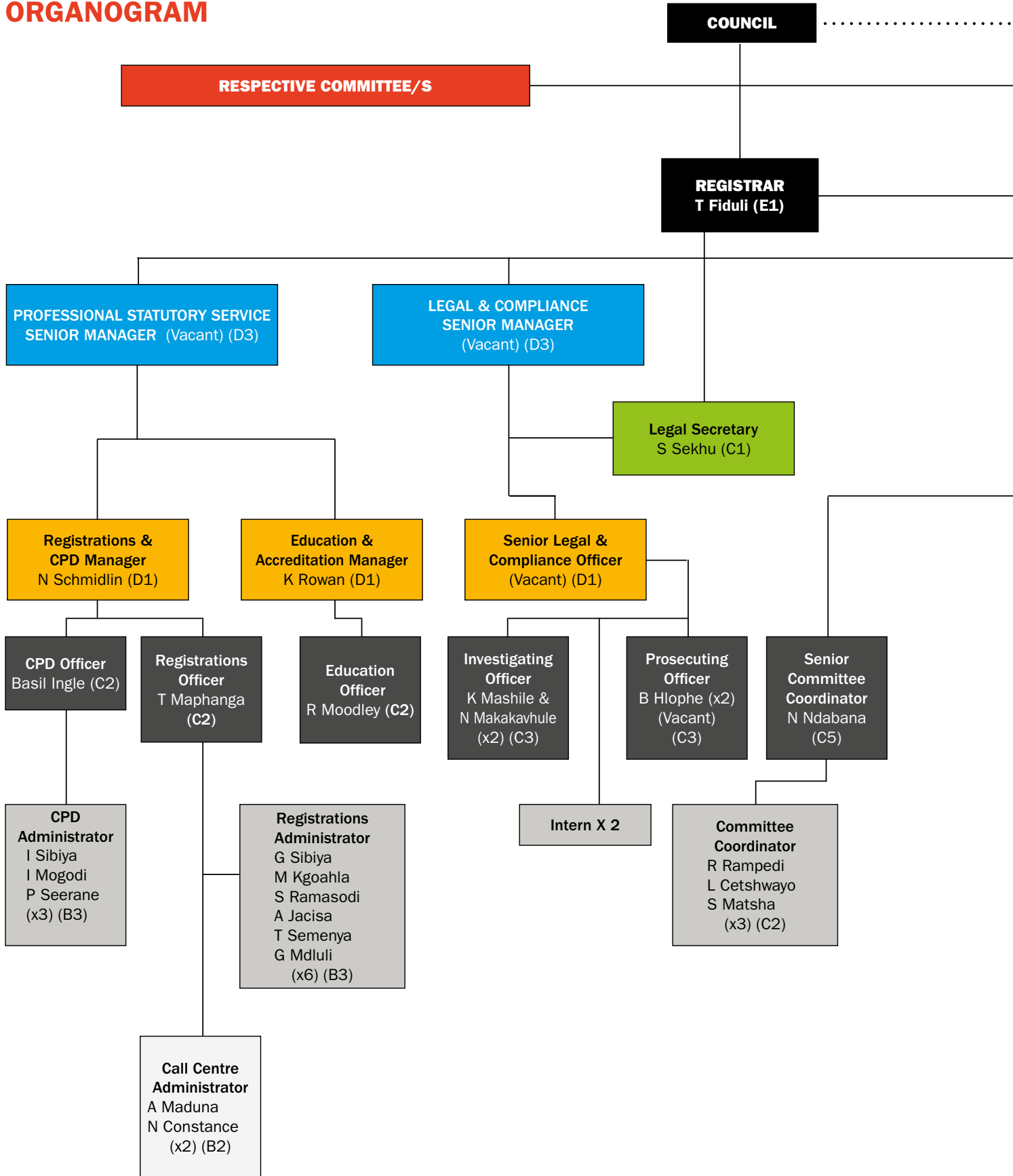
SACAP regulatory mandates

The SACAP is legally charged to regulate the architectural profession in South Africa in terms of the Architectural Profession Act. The architectural profession includes professional architects, senior architectural technologists, architectural technologists, draughtspersons, specified categories and candidates in each of the categories of registration, all of whom are required to be registered with SACAP before they can practice architecture.

Core mandates of SACAP

1. Regulate the Architectural Profession by setting standards for persons' education and training, professional skills, conduct, performance and ethics;
2. Development of competency standards;
3. Register persons in professional categories who have demonstrated competency against the standards determined by the Council for the profession for the relevant categories and have passed any additional examination that may be determined by the Council for the profession;
4. Register persons who meet educational requirements in candidate categories;
5. Prescribe specified categories of registration and register persons in these categories;
6. Require Registered Persons to renew registration;
7. Recommend to the CBE the type of work which may be performed by persons registered in any of the categories of registration of that profession;
8. Conduct accreditation visits to any educational institution which has a department, school or faculty of the relevant Built Environment Profession and conditionally or unconditionally grant, refuse or withdraw accreditation to educational institutions and educational programmes;
9. Evaluate educational qualifications that are not accredited or recognized;
10. Enter into agreements with any person or body of persons, within or outside the Republic, concerning any examination or qualification for the relevant Built Environment Professions Act;
11. Develop and administer a Code of Conduct;
12. Investigate complaints, and probable instances of improper conduct against Registered Persons, charge Registered Persons with improper conduct and sanction Registered Persons found guilty accordingly;
13. Determine Guidelines of Professional Fees annually and publish fees in the Government Gazette;
14. Recognize Voluntary Associations (VAs);
15. Advise the Minister, any other Minister or the CBE, on any matter relating to its profession;
16. Take the necessary steps to protect public interest, health and safety, improve standards of professional services, and create awareness of the need to protect the environment;
17. Encourage research into matters related to its profession; and
18. Determine, after consultation with the VAs and Registered Persons, conditions relating to and the nature and extent of continuing education and training.
19. take any steps it considers necessary for the improvement of the standards of services rendered by registered persons;
20. print, circulate, sell and administer the publication of, and generally take any steps necessary to publish, any publication relating to the architectural profession and related matters.

ORGANOGRAM





RESPECTIVE COMMITTEE/S

PA to Registrar
M Sehoole (C1)

**SECRETARIAT
SUPPORT UNIT**

**SUPPORT SERVICES
SENIOR MANAGER
(Vacant) (D3)**

**SENIOR FINANCE MANAGER
M Segobola (D3)**

**ICT Manager
M Chiunda (D2)**

**SR Manager
N Masango (D1)**

**HR Manager
(Vacant) (D1)**

**Finance Manager
M Mothapo (D1)**

**SR Officer
B Phake (C2)**

**HR Officer
N Molokwane
(C5)**

**Systems
Administrator
(Vacant) (C3)**

**SR
Administrator
M Makumula
(Temp) (B3)**

**HR
Administrator
(Vacant) (B4)**

**IT Technician
W Muhlari (B3)**

**Procurement
Administrator
(Vacant) (B5)**

**Reconciliation
Administrator
M Bila (B5)**

**General
Assistant
S Mafologelo
N Ngcobo
(x2) (A3)**

**Front Office
Assistant
T Morgan
(B1)**

**Facilities
Administrator /
Driver
R Sadan
(B2)**

**Creditors
Administrator
B Zukane
E Ndou
(x2) (B5)**

**Debtors
administrators
J Modiselle
L Rakgetsi
Y Ndabana
(x4) (B5)**

STAFF COMPLEMENT: 54 Excluding Interns

EXECUTIVE MANAGEMENT



Adv. Toto Fiduli
Registrar

SENIOR MANAGEMENT



Mr Maduwele Segobola CA(SA)
Senior Finance Manager



PART B

Performance Information





DEPARTMENT OF PUBLIC WORKS & INFRASTRUCTURE



Council for the Built Environment



South African Council for the Architectural Profession



South African Council for the Quantity Surveying Profession



Engineering Council of South Africa



SA Council for the Landscape Architectural Profession



SA Council for the Property Valuers Profession



SA Council for the Project and Construction Management Profession



SITUATIONAL ANALYSIS

Service Delivery Environment

In the financial year 2019/20, all departments of SACAP have continued to make great strides in ensuring that the statutory mandate of SACAP as prescribed by the Architectural Profession Act is fulfilled despite vacancies that cannot be filled due to budgetary constraints. Performance management has largely been driven by Annual Performance Plan (APP) and quarterly reporting to manage and monitor organizational performance.

The Council and Management are satisfied that by utilizing the quarterly reports and the APP, the performance of SACAP is assessed objectively.

At the end of 2019/20 year, each strategic obligation with five programmes had performance targets and indicators set to measure performance. These indicators have been set by Management and were refined in the current year.

To ensure that SACAP operates in a controlled environment, Council reviewed policies to ensure that all activities of SACAP are implemented in accordance with approved policies. In addition, some strategic positions such as Senior Finance Manager and Finance Manager were filled to ensure that SACAP finances are managed properly. Some key positions such as the Senior Manager Legal & Compliance could not be filled due to budgetary constraints.

A revamped newsletter was introduced to ensure that our stakeholders are kept abreast about the developments within SACAP; encourage and promote interactions and the sharing of ideas and information in the profession.

On 4 October 2019, the CBE identified the scope of work for every category of registered persons for the architectural profession. The scope of work was published under gazette number 42739. The scope of work identified by the CBE is high level. Consequently, the CBE scope of work must be read in conjunction with SACAP Identification of Work Policy which will be published by SACAP.

In order to ensure that the Guidelines Professional Fees are in accordance with any legislation relating to the promotion of competition, SACAP consulted with the Competition Commission. Following the consultation, it was agreed that SACAP will prepare a formal submission justifying the publication Guidelines Professional Fees and provided international comparative studies. The information was provided to the Competition Commission. While we await a reaction from the Competition Committee, SACAP will be consulting with recognized Voluntary Associations.

STRATEGIC OUTCOME-ORIENTATED GOALS OF THE COUNCIL

STRATEGIC GOAL 1	Transform the Profession and Architecture in society (collaboration)
Goal statement	Increase demographic representation of historically disadvantaged groups and that of women in the architectural profession
Link to national outcome(s)	<ul style="list-style-type: none"> Decent employment through inclusive growth An efficient, competitive and responsive economic infrastructure network Responsive, accountable, effective and efficient local government Protect and enhance our environmental assets and natural resources Quality based education A skilled and capable workforce to support an inclusive growth path A diverse, socially cohesive society with a common national identity
STRATEGIC GOAL 2	Grow and develop Architecture and the Profession
Goal statement	Increase register, determine and publish the IDoW, publish the fees schedule.
Link to national outcome(s)	<ul style="list-style-type: none"> Decent employment through inclusive growth An efficient, competitive and responsive economic infrastructure network Responsive, accountable, effective and efficient local government Protect and enhance our environmental assets and natural resources A skilled and capable workforce to support an inclusive growth path A diverse, socially cohesive society with a common national identity
STRATEGIC GOAL 3	Regulate the Architectural Profession to protect the public
Goal statement	Regulate the profession to protect the public. Protecting the public is an objective derived directly from SACAP's mandate.
Link to national outcome(s)	<ul style="list-style-type: none"> Protect and enhance our environmental assets and natural resources A comprehensive, responsive and sustainable social protection

STRATEGIC GOAL 4		Ensure public awareness of Architecture and the Profession
Goal statement	Promote the architectural profession	
Link to national outcome(s)	<ul style="list-style-type: none"> • Quality basic education • Decent employment through inclusive growth • A skilled and capable workforce to support an inclusive growth path • An efficient, competitive and responsive economic infrastructure network • A diverse, socially cohesive society with a common national identity 	
STRATEGIC GOAL 5		SACAP institutional excellence
Goal statement	Implement processes and systems to ensure the smooth functioning of SACAP	
Link to national outcome(s)	<ul style="list-style-type: none"> • Decent employment through inclusive growth • Vibrant, equitable, sustainable rural communities contributing to food security for all. • Sustainable human settlements and improved quality of household life • Responsive, accountable, effective and efficient local government • Protect and enhance our environmental assets and natural resources 	

PERFORMANCE INFORMATION BY PROGRAMME

Programme 1: Transformation

Key performance indicators, planned targets and actual achievements

Strategic Goal: Transform the profession and architecture in society.

Purpose of the programme

The aim of this programme is to collaborate with other stakeholders in order to transform the profession and architecture in society. To that end, Recognition of Prior Learning (RPL) is being used as a tool to transform the profession. SACAP will collaborate with Architectural Learning Sites (ALS), Voluntary Association (VAs) to transform the profession.

Key performance indicators, planned targets and actual achievements

Programme performance indicator	Planned target 2019/20	Actual achievement 2019/20	Status of the target
1 Increased representation on the register of designated groups in terms of race and gender.	3% black 0.05 % gender	Black 437=3.8% African 280, Coloreds 87 Indian 70 Gender 123=0.01% Africans 71 female Coloreds 24 female Indian 28 female	Partly achieved
2 Availability of an integrated transformation strategy and implementation plan.	Approval of RPL policy Special Consent policy Limited Special Dispensation policy	All policies were approved.	RPL is being implemented Special Consent and Limited Special Limited Dispensation have been approved. These policies are mechanism meant to improve representativity in the profession.



Programme performance indicator	Planned target 2019/20	Actual achievement 2019/20	Status of the target	
3	Implementation of RPL programme enabling SACAP registered professionals from designated groups (specifically women) to upgrade to higher registration designation	Assessment of 50 RPL applications from registered persons.	Application 281 Phase 1 not completed 175 Not eligible: 39 Assessed 17 Successful 7 43 scheduled for assessment	Not Achieved
4	Development of an architectural student register.	Develop and approve a student register.	Student register developed and registered 35 Students from ALS.	Achieved

Strategy to overcome areas of underperformance:

- Increased awareness about SACAP transformation programs through roadshows, outreach and exhibitions about RPL benefits and delegate mentors to assist registered persons with applications. Undertake roadshows to encourage designated groups who have experience in architecture with no qualifications to register with SACAP as Professional Architectural Draughtsperson.
- Introduction of mentors for students from designated groups to help through the years of studying to increase the throughput. Promotion of student register to all Architectural Learning Sites and encourage architectural students to join the architectural student chapter. Once students have graduated, ensure smooth registration to candidacy.
- In collaboration with the Department of Small Business Development and the Small Enterprise Development Agency work with architectural practices owned by designated groups to arrange for business development and technical support for them. Arrange for incubation and assist registered professionals to have access to existing technology, encompassing both hard- and software in their practices. Arrange mentoring and coaching for newly qualified professionals and candidates.
- Increase awareness of the architectural profession at school level, by an increased awareness at open days.
- Schedule more assessments and set up assessment teams project teams across provinces for efficient and effective assessment of all applications.

Programme 2: Growth

Strategic Goal: Grow and develop architecture and the profession

Goal statement/objective: Increase the register, determine and publish the IDoW and Guideline Fees.

Purpose of the programme

The strategic objective of this programme is to retain and grow the profession and to develop people-centred architecture.

The public's safety is ensured by registration and development of registered professionals through activities such as Continuing Professional Development (CPD). Through the identification of clear areas of competencies and appropriate market related fee guidance for the public. SACAP can assist in the appointment of the correct architectural professionals, at the correct fee. This is done through engagements with collaborating stakeholders in a way that does not contravene the Competitions Act.

Key performance indicators, planned targets and actual achievements

Programme performance indicator	Planned target 2019/20	Actual achievement 2019/20	Status of the target	
2.1	Keep an up to date and accurate register of registered persons	Register integrity	Register reviewed and cleaned	Achieved
2.2	Grow the register of (candidates and professionals)	Grow the register by net of 5%	Register as of 1 April 2019= 10982 Jan 2020- 11269 Deregistration: 723 Grew the register by 9.1 % deducted 6.4% suspensions for nonpayment. Net growth =2.7%	Not Achieved

Programme performance indicator		Planned target 2019/20	Actual achievement 2019/20	Status of the target
2.3	Publication of the Identification of Work (IDOW)	a) Consultation with stakeholders on the IDOW; b) Preparation of recommendations on the scope of work for each category of registered; c) Submission of recommendation to the Council for the Built Environment (CBE); and d) Consultation with the Competition Commission.	The Identification of Work is in the final stages. The CBE has published scope of work for the Architectural Profession. Made a formal submission to the Competition Commission.	Partially achieved
2.4	Determine the recommended Fees Guideline Framework.	Publication for Guidelines Professional Fees.	a) Obtained fees survey results from SAIA; b) Appointed an Actuary to do calculations c) Draft Guidelines Professional Fees d) Consulted with the Competition Commission e) Formal submission to the Competition Commission.	Partially Achieved
2.5	Increase the number of registration categories.	1 specified category of registration	Create a category for Building Inspectors.	Achieved
2.6	Ensure effective and efficient upgrade of Candidates to Professional category.	Efficient and effective registration policy Implementation of Monthly Training Records policy Implementation of Professional Practice Examination policy	270 candidates upgraded to professional status	Achieved

Strategy to overcome areas of underperformance:

- Extensive promotion of registration within all government infrastructure departments.
- Promote candidate registration to all Architectural Learning Sites;
- Consultation on demarcation of work and drafting of the IDOW recommendations was completed. Recommendation were submitted to the Council for the Built Environment (CBE). The CBE identified the scope of work for each category of registered persons and published the scope of work in the gazette. SACAP is doing the last consultations with the Competition Commission.
- The Draft Guideline Professional Fees is complete. We are in the consultation phase. We are waiting for comments from the Competition Commission before we consult Voluntary Associations and publish the guidelines.

Change to planned targets:

- More rigorous activities aimed at growing the register.
- Consultation and workshops on the IDOW and Guideline Professional Fees.



Programme 3: Regulation and Oversight of Architectural Profession

Strategic Goal: Regulate the architectural profession to protect the public

Goal statement/objective: Regulate the profession to protect the public.

Purpose of the programme

Council is required by the Architectural Profession Act (APA) to take any steps it considers necessary for the protection of the public in their dealings with registered persons for the maintenance of the integrity and the enhancement of the status of the architectural profession; take any steps it considers necessary for the improvement of the standards of services rendered by registered persons; create an awareness amongst registered persons of the importance to protect the environment against unsound architectural practices; and take any steps which it considers necessary, where, as a result of architectural related undertakings, public health and safety is prejudiced.

Key performance indicators, planned targets and actual achievements

Programme performance indicator	Planned target 2019/20	Actual achievement 2019/20	Status of the target
3.1 Investigate all complaints received from the public against registered persons. Report all complaints against persons who are not registered to the South African Police.	Complete 60%	Received 154 Completed 107 69.88 %	Achieved
3.2 Convene Disciplinary Tribunals as prescribed by Section 30 of the Architectural Profession Act to hear all charges of improper conduct against registered persons. Ensure efficient appeal procedures against decision of disciplinary tribunal by Council. Ensure publication of the finding and sanctions imposed in the Gazette.	Adjudicate 30 disciplinary matters Publication of all findings and sanctions in the gazette	Negotiated 27 pleas of guilt 11 matters adjudicated at the Disciplinary Published 35 gazettes	Achieved
3.3 Engage with Law Enforcement agencies and Municipalities to ensure that only persons who are registered and in good standing with SACAP submit building application for approval at all Municipalities. Collaboration with Local Municipalities, Building Control Officers and the South African Police services to protect the public and ensuring that the standards of services rendered by registered persons is of good quality	Implementation of the MoU with the South African Police Services (SAPS). Working in partnership with local authorities to ensure that only registered persons submit building plan applications.	Submitted 38 complaints against unregistered person to the South African Police. Direction partnership with all local authorities hence there is continues engagements with them.	Achieved

Programme performance indicator		Planned target 2019/20	Actual achievement 2019/20	Status of the target
3.4	Refine all investigative process and procedures to ensure that all complaints are resolved with a reasonable time.	Review the investigation process and procedure.	Reviewed the standard operating procedure. Obtained a delegation of authority for the Investigating Committee to ensure that complaints are resolved within reasonable time.	Achieved
3.5	Conduct workshops for registered persons about the Architectural Professional Act, Code of Professional Conduct and all regulations in the profession.	Planned 6 workshops	Undertook 7 workshops	Achieved
3.6	Review and publish Code of Professional Conduct for Registered Persons (Board Notice 154 of 2009).	Publish the Code of Conduct	Reviewed the Code of Conduct Published the draft for comments on the gazette Received comments and currently assessing all comments.	Partially achieved

Strategy to overcome areas of underperformance:

- Publication of the Code of Conduct and extensive workshops to promote the Code of Conduct.

Programme 4: Stakeholder engagement

Strategic Goal: Ensure public awareness of architecture and the profession.

Goal statement/objective: Promote the architectural profession

Purpose of the programme.

The strategic objective of the Stakeholder Engagement Programme is to have positive engagement with the architectural professionals and other stakeholders. This will lead to a well-informed architectural profession stakeholder and will ensure collaboration for the realisation of SACAP's vision, mission and regulatory mandates. Regular consultation with SACAP's stakeholders through various platforms, creates a spirit of collaboration between those who can influence transformation.

Stakeholder engagement further aims to educate school leavers and students about the profession and the mandate of SACAP. This ensures that the profession attracts historically disadvantaged persons. The programme also safeguards SACAP's integrity in the public domain because its aim to attract historically disadvantaged persons.

Within this programme, SACAP has developed a number of initiatives.

Key performance indicators, planned targets and actual achievements

Programme performance indicator		Planned target 2019/20	Actual achievement 2019/20	Status of the target
4.1	A comprehensive Stakeholder Relations strategy and communication plan.	a) Formulate Stakeholder Relations Strategy; b) Formulate a Communication plan	Approved strategy and communication plan	Achieved



Programme performance indicator		Planned target 2019/20	Actual achievement 2019/20	Status of the target
4.2	Create open and active communication platforms that reach key stakeholders and deliver SACAP's regulatory information and news of the 5th Term Council's activities to all stakeholders.	Voluntary Association Forum One on one stakeholder engagement Social Media- Facebook, LinkedIn, Instagram, and You tube, Email communication Website Newsletter Enter into Media partnerships Radio interviews TV interview Municipal workshops Exhibitions Student roadshows	1 Voluntary Association Forum 6 one on one Voluntary Associations engagement meeting; Posts on all social media platforms, include the website 1 newsletter publication Entered into 2 Media partnerships and published 3 articles on SA Building Review and To Build. Interviews on Metro, Power and Mix FM Newsroom Africa- world architecture 4 Municipal workshops 2 Stakeholder engagement workshops 1 Exhibition 4 student roadshows	Achieved 4 Municipal workshops 2 stakeholder workshops
4.3	Promote Corporate Identity across all platforms.	Review the SACAP email signature; Design and develop branding material Buy and distribute corporate clothing and gifts.	Email signature reviewed and implemented. Installation of vinyl signage Bought and distributed corporate clothing and gifts.	Achieved
4.4	Preparation of the annual report.	Ensure that the annual report is compiled and submitted to the CBE and Parliament with stipulated timelines.	Annual report delivered to CBE on 25 September 2019. The CBE submitted the SACAP annual report to Parliament. The CBE is responsible for submitting the Annual report to Parliament.	Achieved

Strategy to overcome areas of underperformance:

- Stakeholder and communication strategy to address all our stakeholder and the public at large.
- Impactful activities to realise increased awareness of the architectural profession.

Change to planned targets

- Achieving penetration in a dynamic market is challenging with resource and budget constraints. Notwithstanding the increase in the budget, the public awareness mandate is hampered by ever increasing market-related costs.

Programme 5: Institutional excellence

Strategic Goal: SACAP Institutional excellence

Goal statement/objective: Implement processes and systems to ensure the smooth functioning of SACAP

Purpose of the programme

The strategic objective of the Institutional Excellence Programme is to implement processes and systems to ensure the smooth functioning of SACAP. The programme includes various initiatives to establish the legitimacy of Council to fulfil SACAP's mandates. Excellence mainly encompasses internal operations and their respective desired outcomes. The intended outcomes are effective governance and processes, skillful and driven staff, adequate IT capability and efficient service delivery.

Performance indicators and their corresponding long-term targets

Programme performance indicator	Planned target 2019/20	Actual achievement 2019/20	Status of the target
5.1 Ensure performance management of all staff of SACAP to improve both individual and organizational performance by identifying performance requirements, providing regular feedback and assisting the employees in their career development.	a) Performance agreement b) Performance review	performance agreement. Performance assessment was done in September 2019	Achieved
5.2 Obtain a clean audit or unqualified audit on three aspects; the financial statements with no material misstatements, no material findings on the annual performance report and lastly, no material findings on non-compliance with key legislation.	a) Obtain unqualified audit; b) Annual Performance Plan with minimal findings; c) Comply with all key legislation	Obtained unqualified audit and there were no material findings on noncompliance with key legislation.	Achieved.
5.3 Ensure good corporate governance in line with policies and procedures of SACAP. Fostering accountability, fairness, transparency, inclusive and effectiveness and efficiency.	Develop policies for Finance, Information Technology, Human Resources, Stakeholder Relations, Legal & Compliance Department and Professional Statutory Services. Develop standard operating procedures.	Developed 11 policies for Finance Department and approval of Council. Developed 6 policies for Stakeholder Relation Department and obtained approval. Developed 18 policies for Human Resources Department Developed Information Technology policies Developed Legal and Compliance Department policies; Developed Professional Statutory Service policies Developed standard operating procedures.	Achieved



Programme performance indicator		Planned target 2019/20	Actual achievement 2019/20	Status of the target
5.4	Update the information on the website	Ensure that information on the website is up to date and relevant.	Website information is updated.	Achieved.
5.5	Server infrastructure consolidation.	Server infrastructure refresh	Installed high availability server cluster. Upgrade the fibre optic line Installation backup fail over (Satellite dish).	Achieved.

Strategy to overcome areas of underperformance:

Development and Training of all employees of SACAP is critical for an efficient and effective organization. The strategy is to allocate more resources and ensure that all training developmental needs of employees are attended to.

REGISTRATIONS 2019/2020

Upon application for registration, all applicants are registered in a candidate registrations category. The National Qualification Framework (NQF) level of the recognised architectural qualification that the applicant holds, determines the category of registration. Once registered, all candidates must complete a pre-determined period of internship. During the period of internship candidates are required to submit Monthly Training Records. The Monthly Training Records must be verified and signed off by the Candidate’s mentor.

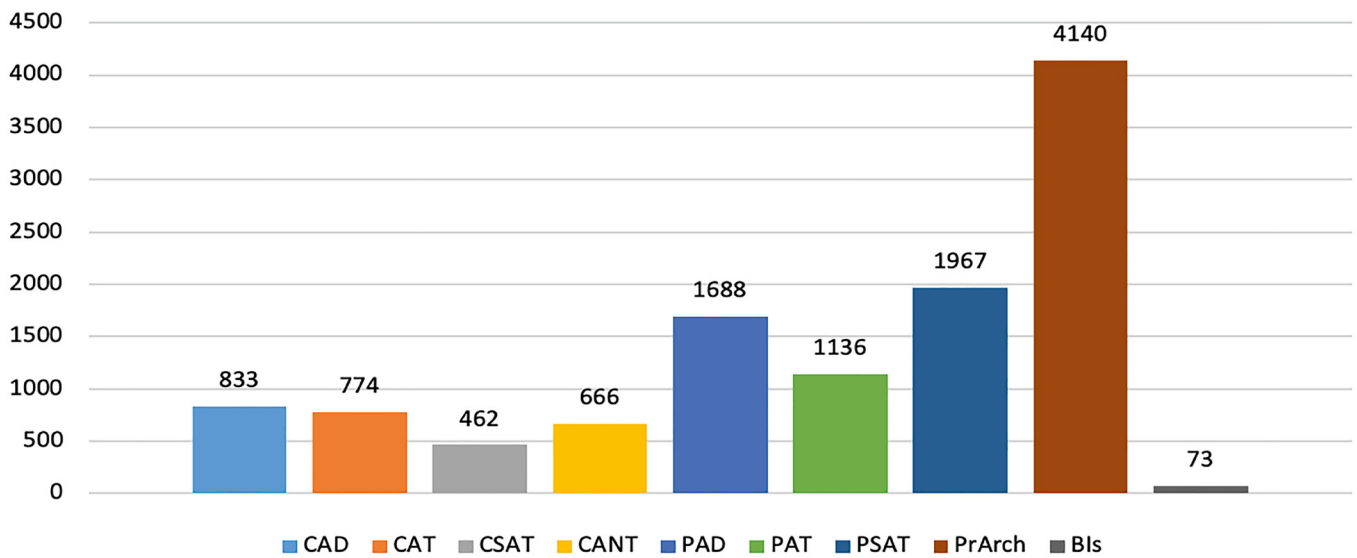
Before applying to upgrade to a professional registration category, Candidates are also required to write and pass the Professional Practice Examination (PPE).

During this financial year, new, specified categories of registration for Building Inspectors were introduced.

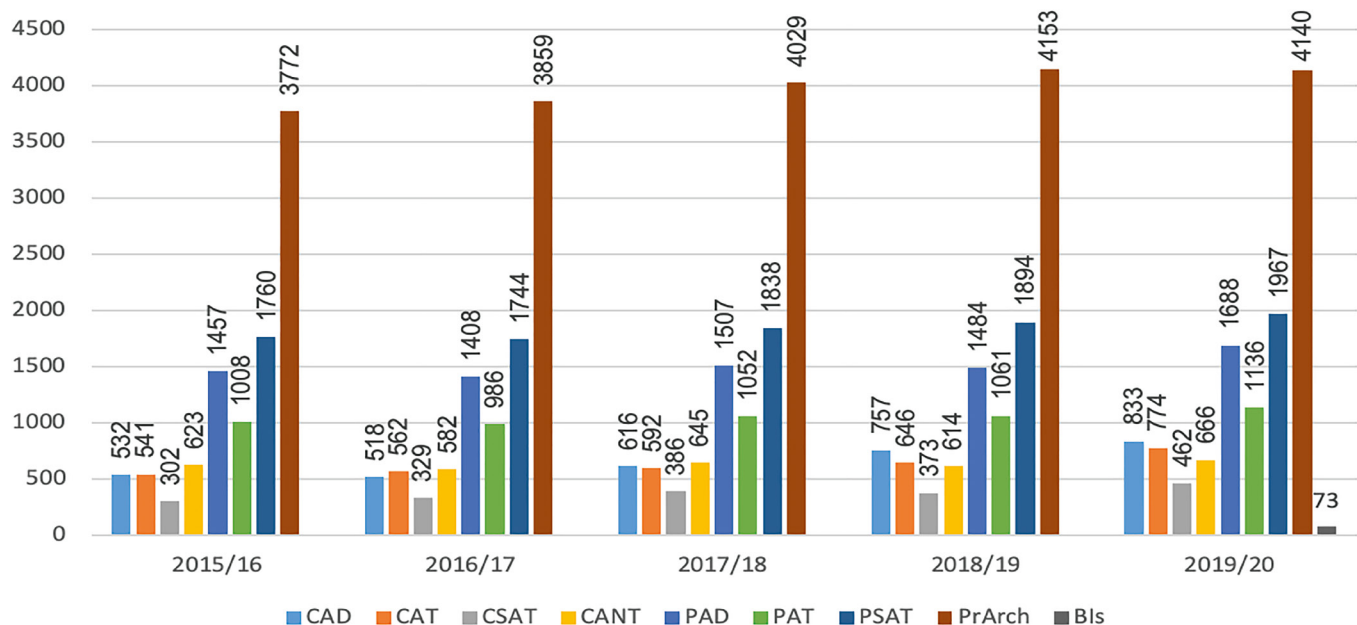
The registrations for the 2019/20-financial year are broken down in the tables and graphs below:

CUMULATIVE TOTAL OF REGISTERED PERSONS

Registered persons as at the end of the 2019/20 financial year

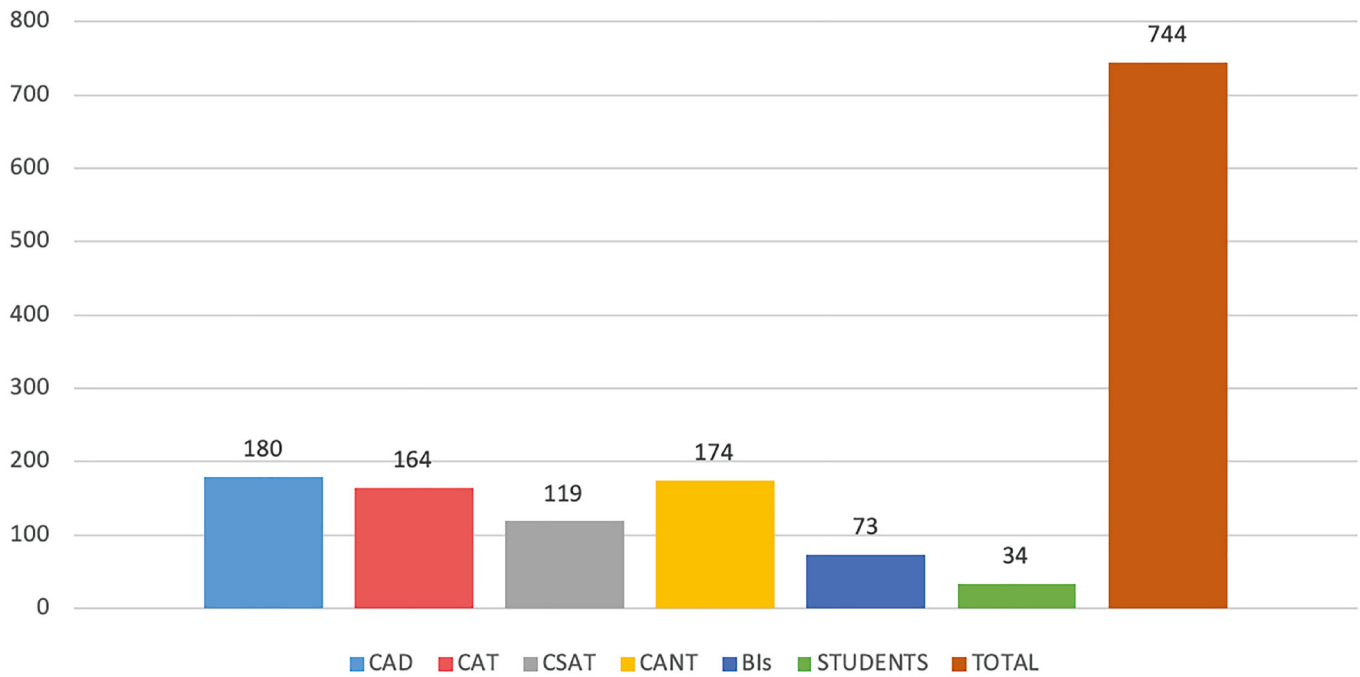


Comparison over the past five years

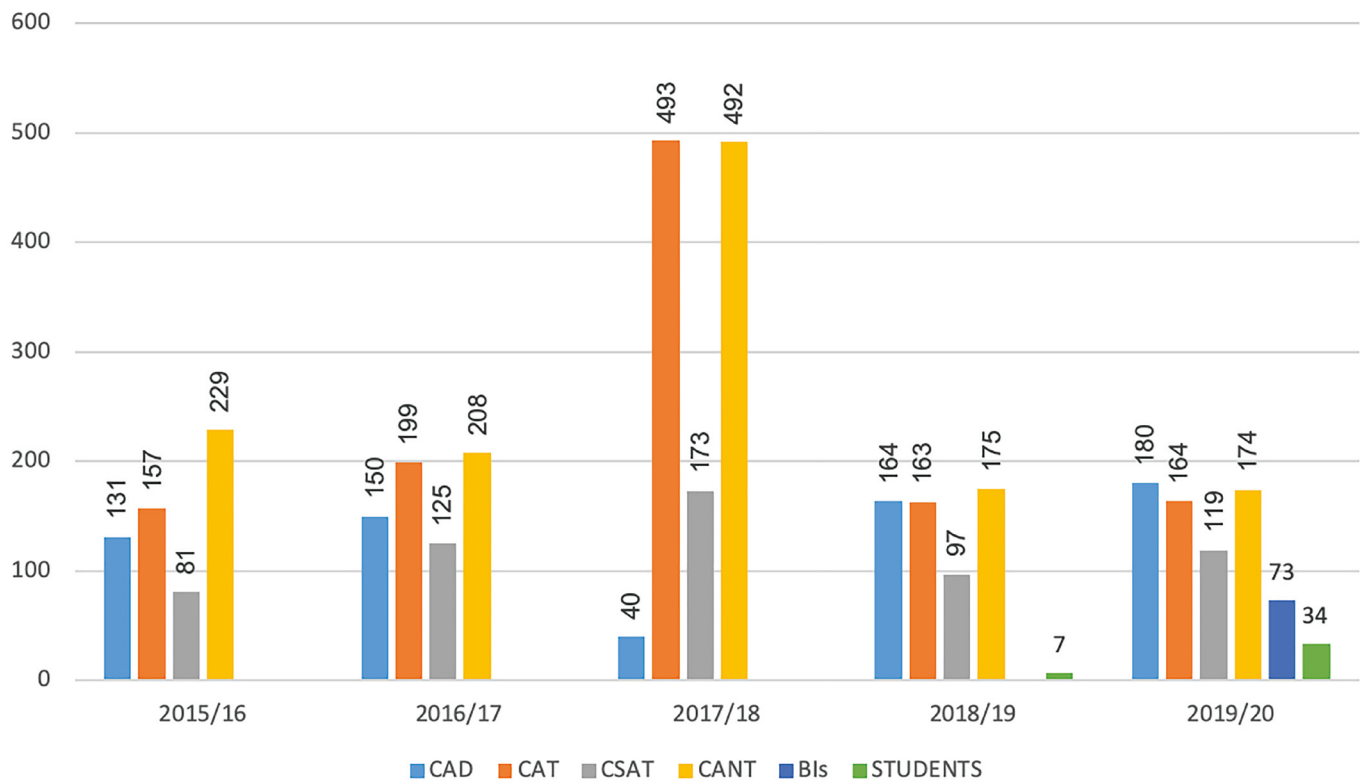




New candidate registrations for 2019/20

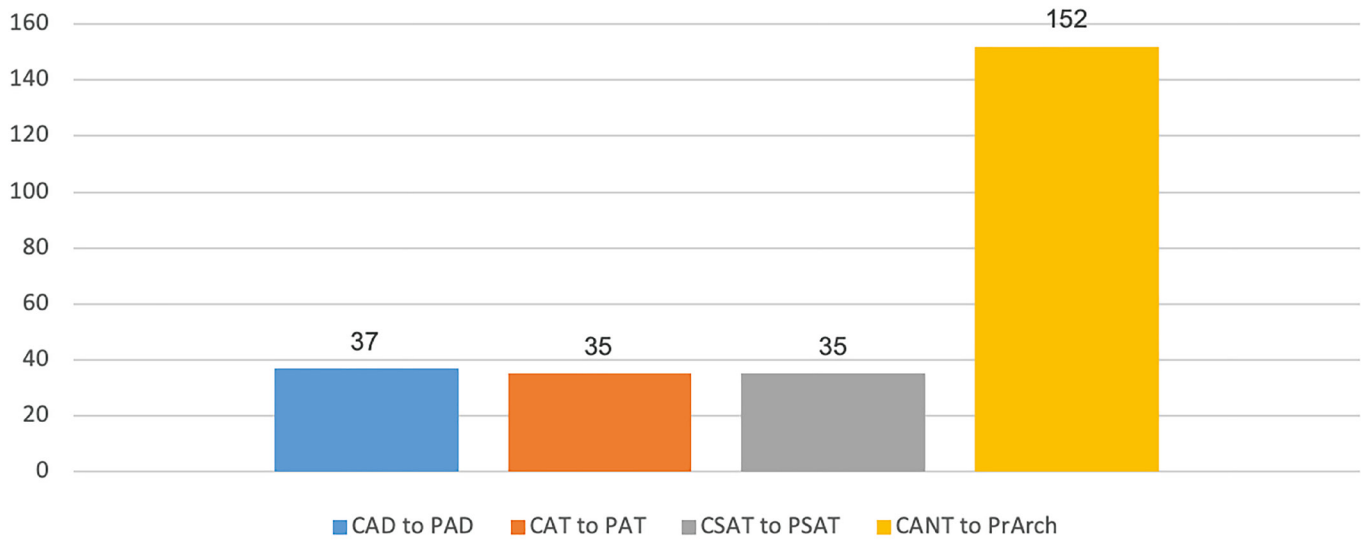


Comparison over the past five years (by category)

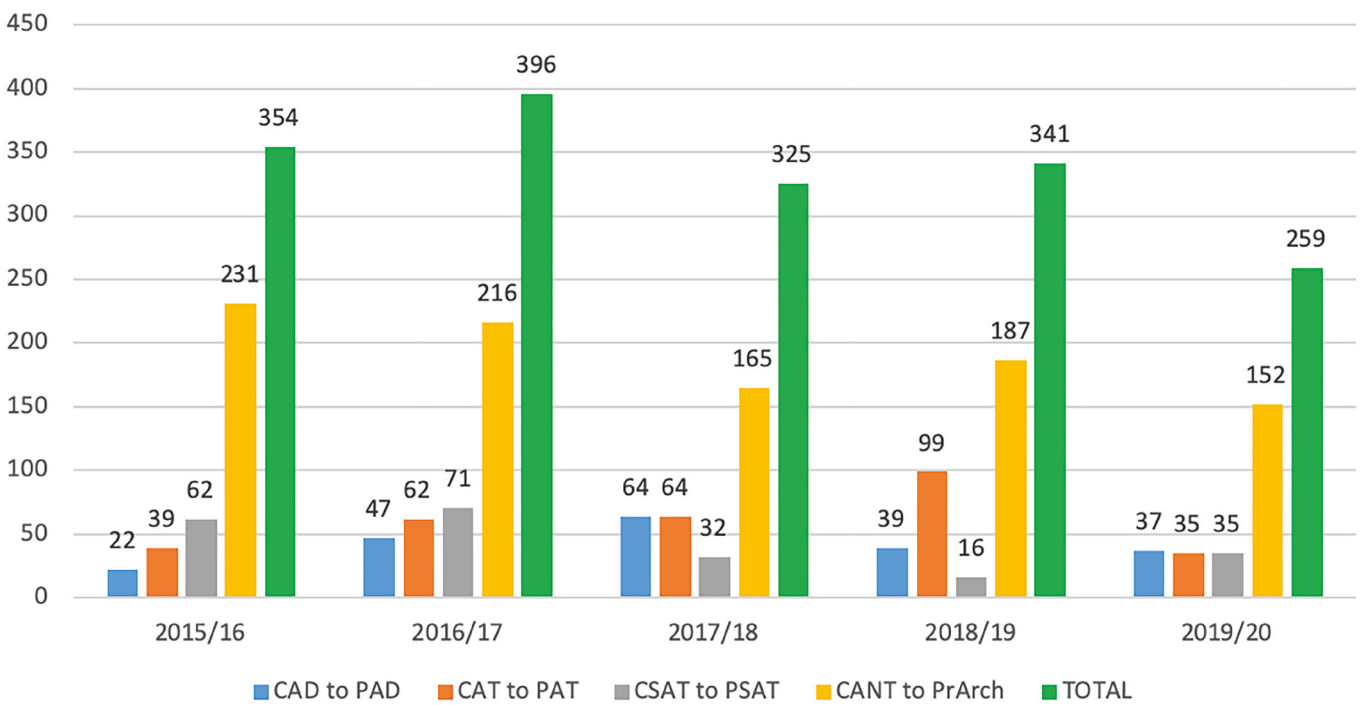


UPGRADES IN 2019/20

After applicant completed candidacy and passed the PPE

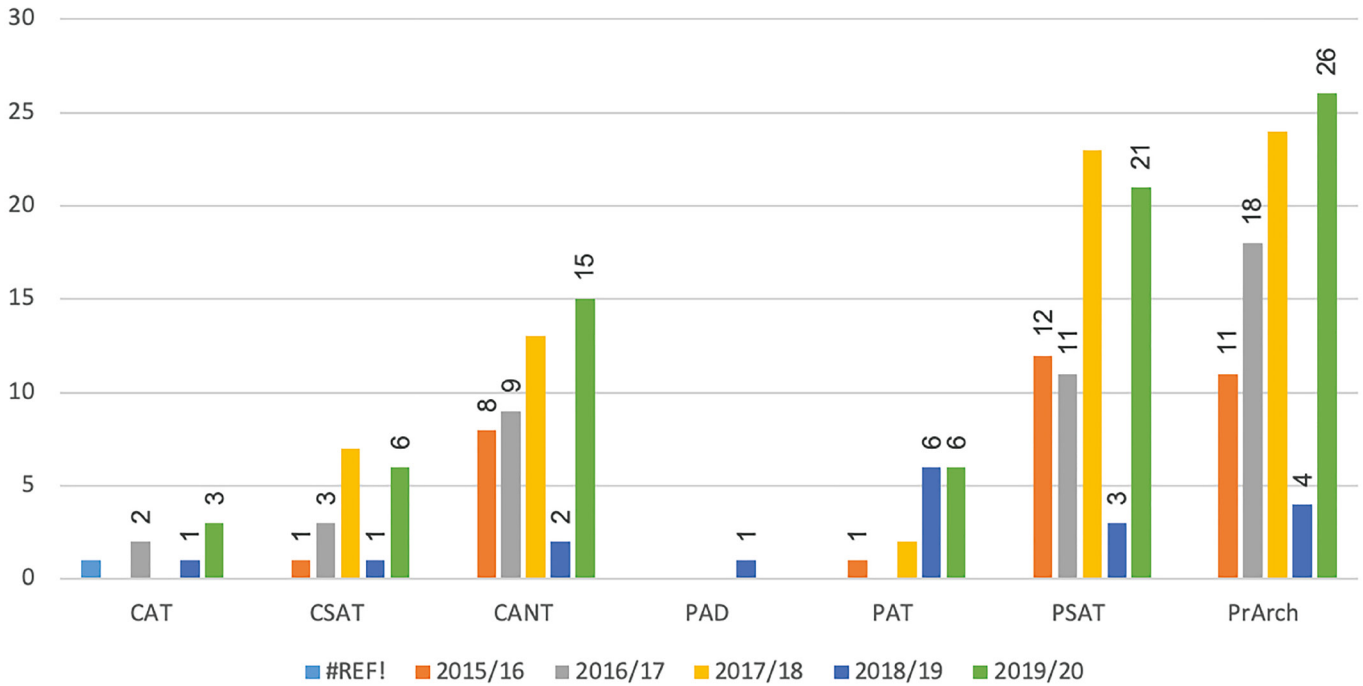


After the applicant completed candidacy and passed the PPE (past five years)

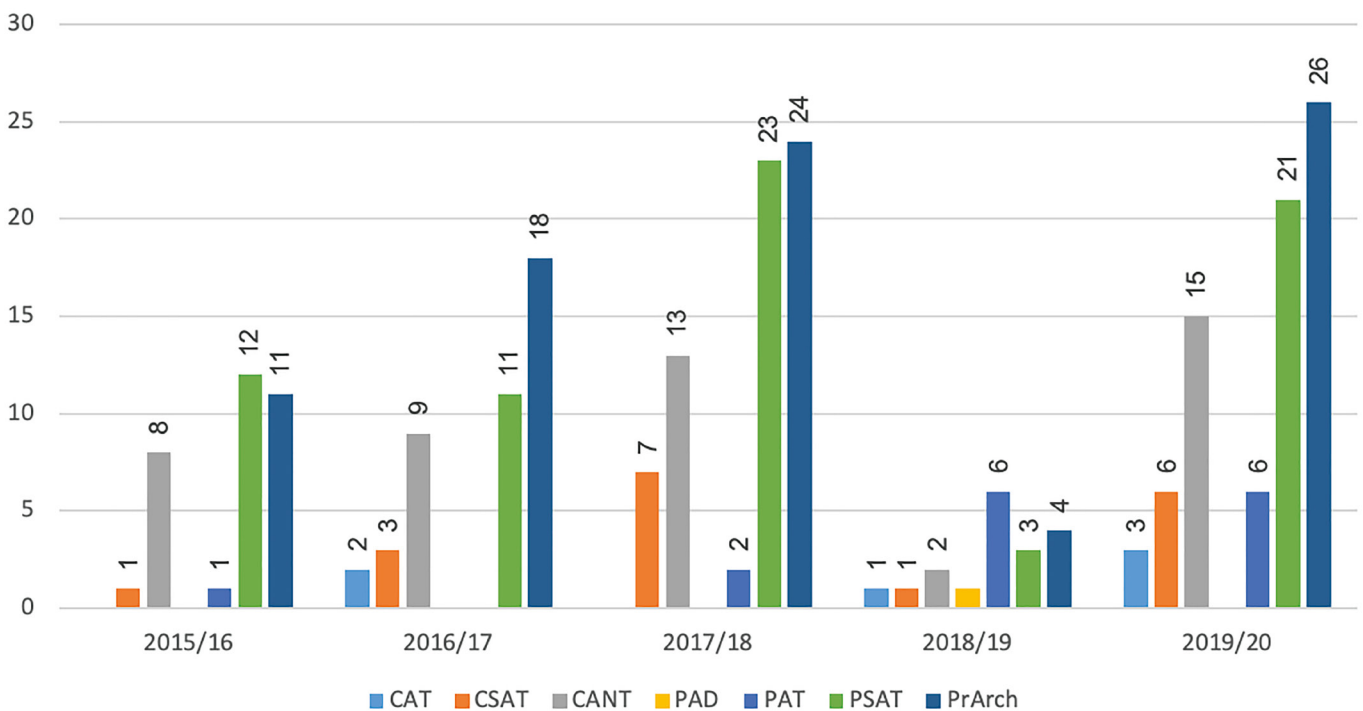




After applicant obtained a further architectural qualification and upgraded in 2019/20

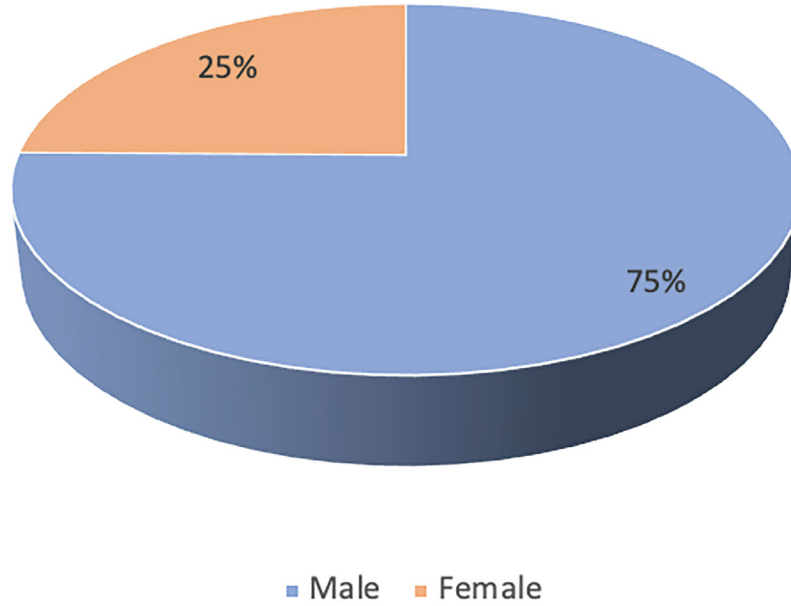


After the applicant obtained a further academic qualification (past five years)

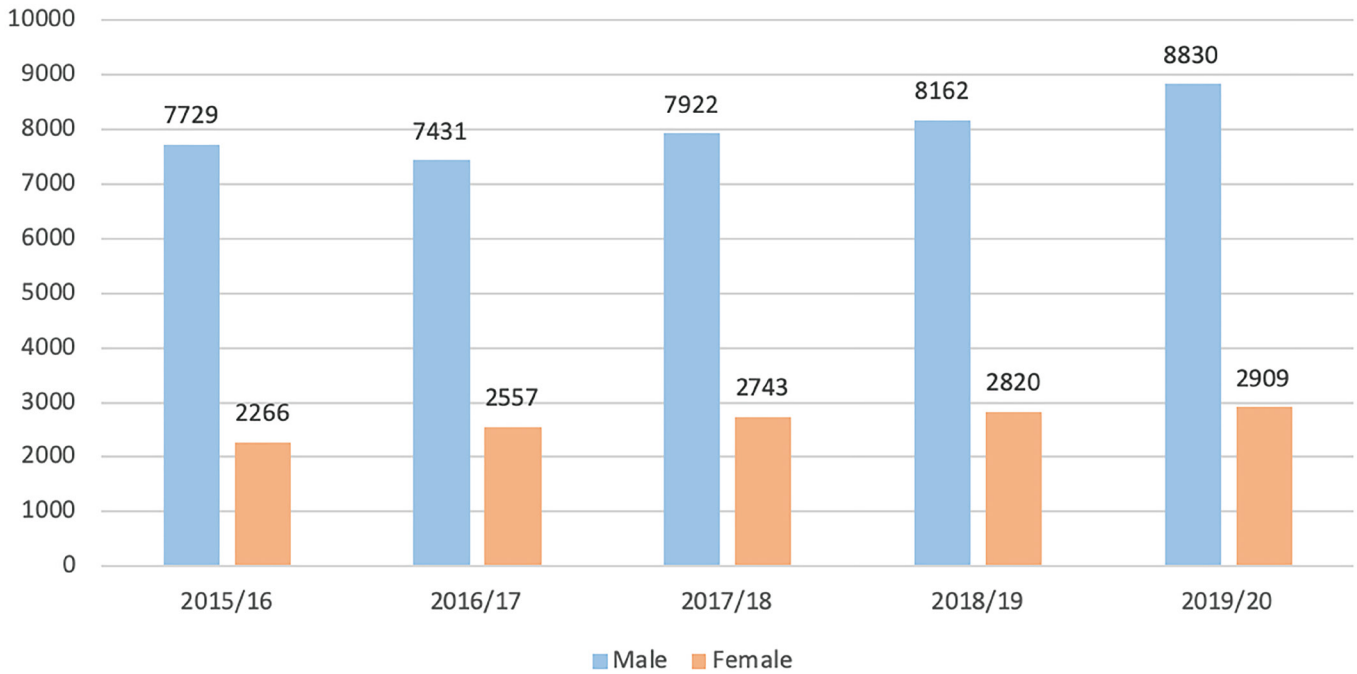


GENDER

Split of SACAP'S register for 2019/20



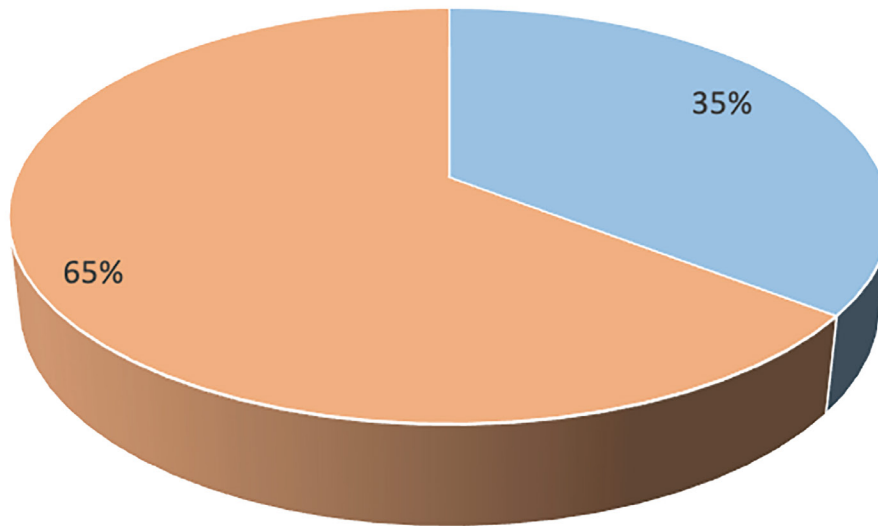
Split of SACAP register over the last five years





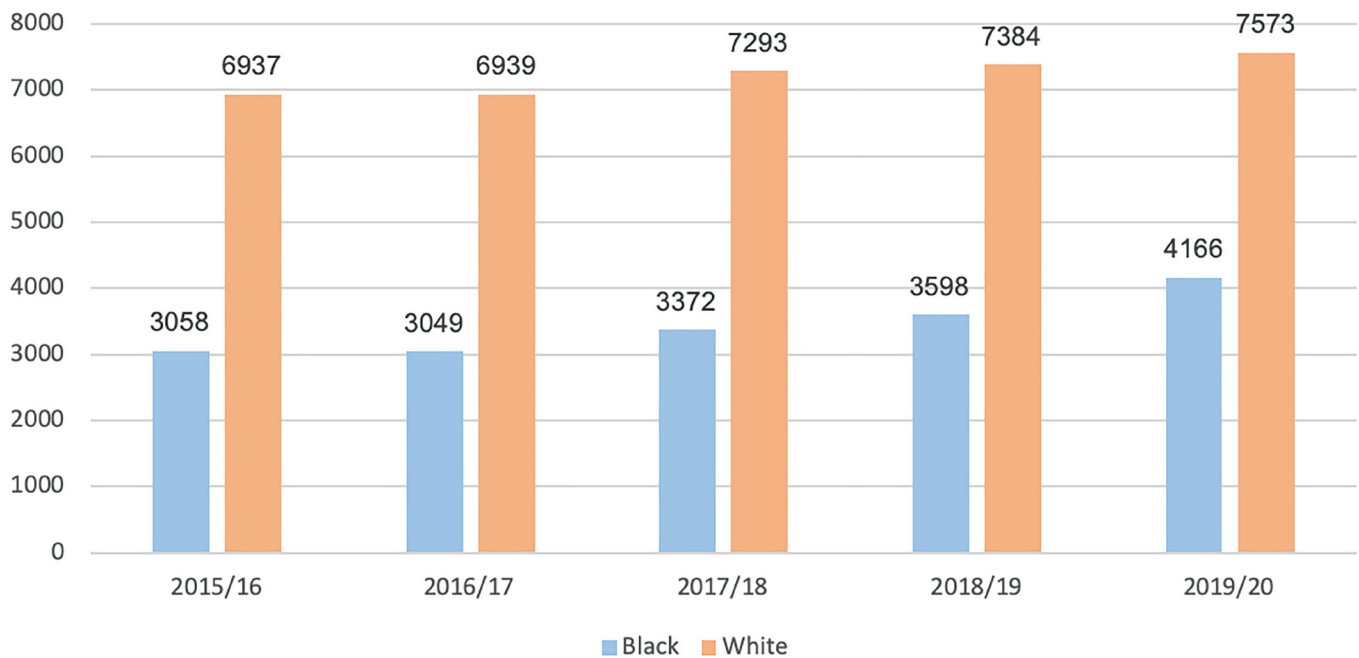
RACE

Racial split of all on register in 2019/20

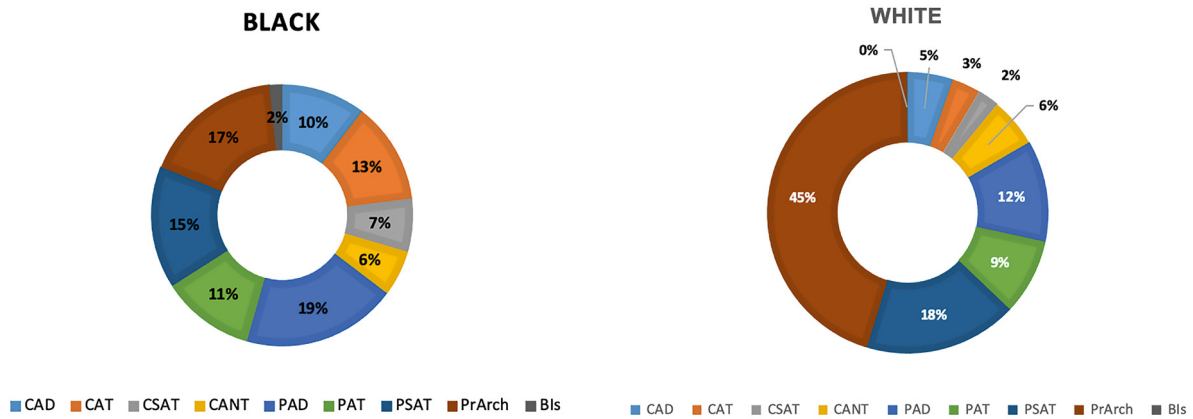


■ Black ■ White

Racial split of total register over the last five years

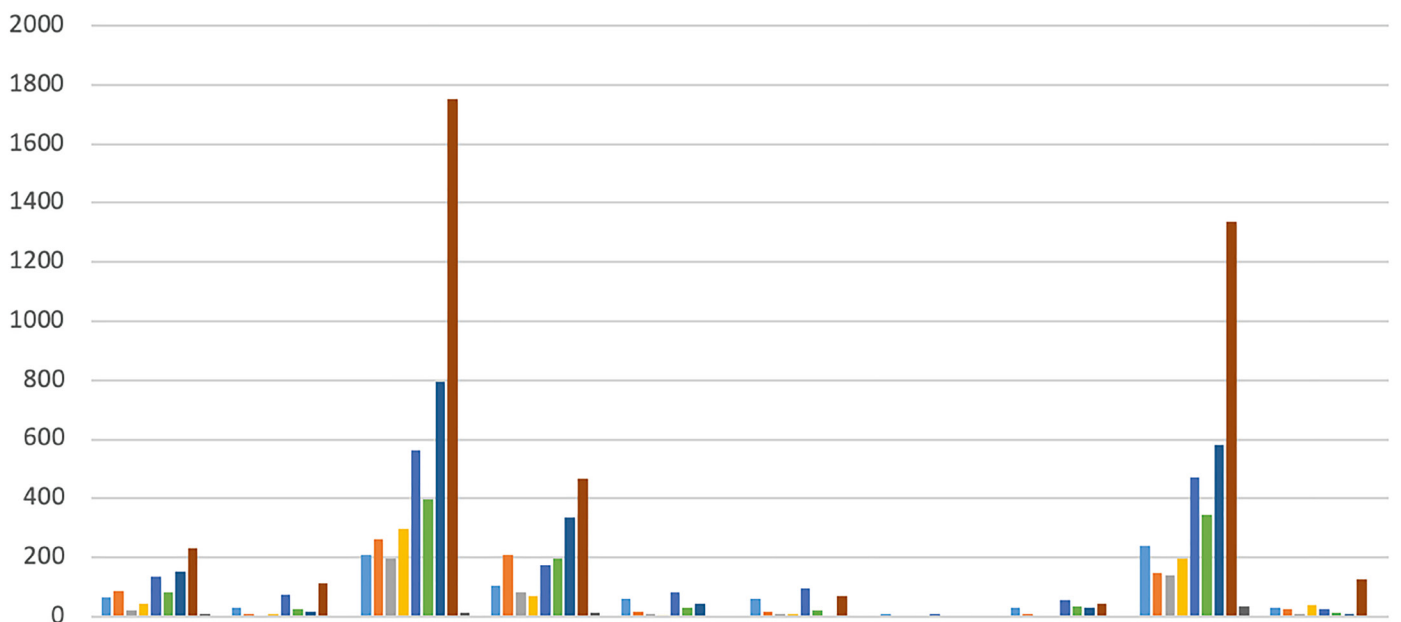


Racial split by registration category 2019/20



REGISTERED PERSONS BY PROVINCE IN 2019/20

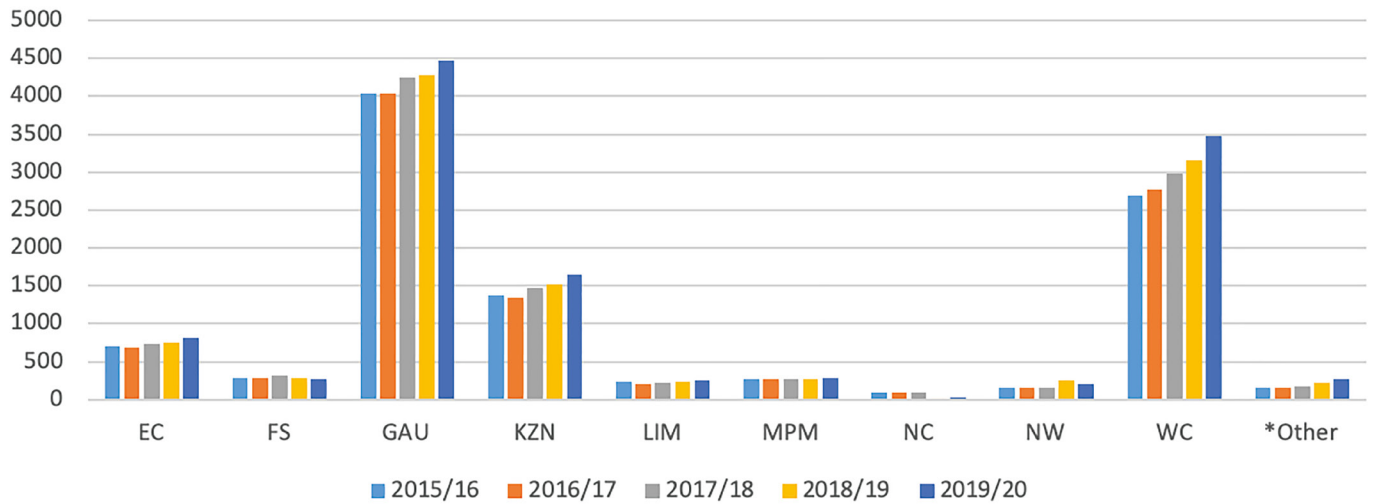
Category	EC	FS	GAU	KZN	LIM	MPM	NC	NW	WC	Other*	Total
CAD	64	29	209	105	62	61	8	29	238	28	833
CAT	86	7	261	207	15	17	3	6	148	24	774
CSAT	21	2	196	81	8	7	1	1	138	7	462
CANT	43	8	296	67	5	10		4	196	37	666
PAD	135	73	564	173	83	97	9	57	473	24	1 688
PAT	81	24	395	195	29	21	1	33	345	12	1 136
PSAT	153	18	793	335	45	2	4	29	579	9	1 967
PrArch	232	112	1 751	469	2	68	4	42	1 335	125	4 140
Bis	7	1	11	11	4	2	3	1	33		73
TOTAL	822	274	4 476	1643	253	285	33	202	3 485	266	11 739



*Other: Registered Persons residing/practicing outside of South Africa.



Year	EC	FS	GAU	KZN	LIM	MPM	NC	NW	WC	*Other	Total
2015/16	697	283	4 044	1 376	232	268	89	151	2 698	157	9 995
2016/17	682	281	4 044	1 346	205	266	86	149	2 769	160	9 988
2017/18	733	310	4 248	1 471	227	272	88	164	2 976	176	10 665
2018/19	746	287	4 286	1 517	237	276	17	245	3 152	219	10 982
2019/20	822	274	4476	1643	253	285	33	202	3485	266	11 739



ACCREDITATION ARCHITECTURAL LEARNING SITES (ALS)

11 ALSs' accredited by a Validation Board every five years

The Council is enjoined by section 13 (a) of the Architectural Profession Act subject to sections 5 and 7 of the Higher Education Act to undertake educational visits to ALSs and either conditionally or unconditionally grant, refuse or withdraw accreditation to such Institutions. There are currently 11 SACAP-accredited ALSs around the country. The Council is mandated to assess the quality and relevance of all architectural qualifications offered by each ALS, on a rotating basis, within a five-year cycle. Such qualifications enable architectural candidacy, and eventual professional registration and practice.

The National Architectural Student Forum

The National Architectural Student Forum (NASF) was established in 2018 by SACAP to bridge the gap between the students, candidates and the registered professionals. For the year 2019, SACAP hosted a meeting and various student roadshows at the various ALSs' with the objective to promote students registration and understanding of the role of SACAP.

The NASF is comprised of the following members from the relevant ALS:

- Zane Millar: WITS
- Katlego Nkomo: UFS
- Nonhlanhla Mashego: WITS
- Jess Luckin: DUT
- Nick Duarte: TUT
- Alexander Mbedzi: UP
- Zara Poorun: NMU
- Ryan Matthew: UKZN
- Maynakh Ramasar: UCT
- Viwe Mpambani: CPUT

Private Institutions

SACAP is responsible to give advice or render assistance to any educational institution, Voluntary Associations or examining body with regards to educational facilities for training and education of Registered Persons and architectural students. SACAP supported a architectural programme offerings by one Private Institution in 2019/2020.

This Private Institution and their programmes were;

STADIO: Higher Certificate in Architectural Practice & Bachelor of Architecture.

Canberra Accord

About The Canberra Accord on Architectural Education

Signed in April 2008, the Canberra Accord is a multilateral agreement between organizations with established systems for the accreditation of architecture education programs that have been agreed as substantially equivalent. It is intended to facilitate the international mobility of graduates in architecture and the portability of educational credentials between signatory domains, and contribute to improving architecture education through benchmarking. Visit www.canberraaccord.org for more information.

In May 2017, SACAP became a signatory of the Canberra Accord, this signatory status is for five (5) years and will be reviewed in the year 2022. The Canberra Accord recognises the substantial equivalency of accreditation/validation systems in architectural education of its Signatories.

“Substantial” equivalency identifies a programme as comparable in educational outcomes in all significant aspects, and indicates that it provides an educational experience meeting acceptable standards, even though such program/me may differ in format or method of delivery. The Canberra Accord is intended to facilitate the portability of educational credentials between the countries whose accreditation/validation agencies signed the Accord.

The countries of signatories include: Canada, China, The Commonwealth Association of Architects, Hong Kong, Japan, Korea, Mexico and the USA.

In August 2019, SACAP hosted the 7th General Meeting for the Canberra Accord at the Sofia Grey Memorial Lecture & Exhibition in Bloemfontein.

Motions approved at this meeting:

- Signatory status for the Japan Accreditation Board for Engineering Education.
- Periodic review of the National Architectural Accrediting Board of the United States.
- Appointment of a review panel for ANPADEH of Mexico and extension of its next periodic review to 2021.
- Formation of a new task force to revise the Canberra Accord Rules and Procedures.
- Projected contributions of signatories FY2020.
- Formation of a task force to develop a policy on fees for provisional members and for mentoring services.



Actions approved by acclamation at this meeting:

- Each signatory will investigate the implications of incorporation of the Accord in its home country.
- Implementation Task Force will develop consistent standards for reporting data on mobility of graduates and undertake a new comparative analysis of signatories.
- ANPADEH will serve as the next chair of the Accord.
- Hong Kong Institute of Architects will host the next general meeting, in 2021.

Professional Practice Examination

A Candidate can only apply to write the PPE if he/she has completed the full period of required recognised practical experience. This implies that the Candidate must adhere to the following conditions, before he/she will be allowed to write the PPE: Candidates must have been registered for the following number of months: A minimum of two years for persons registered as Candidate Architects, Candidate Senior Architectural Technologists and Candidate Architectural Technologists. Ensure that a minimum of 24 Monthly Training Records (MTRs) are uploaded from date of registration. Candidates are also required to obtain a minimum of 400 value units during the period of practical training.

A minimum of three years for persons registered as Candidate Architectural Draughtspersons. Ensure that a minimum of 36 Monthly Training Records (MTRs) are uploaded from date of registration. Candidates are also required to obtain a minimum of 400 value units during the period of practical training.

For the annual financial year of 2019/2020, a total number of 187 candidates wrote the PPE. Of this, a total of 123 passed. The Council intends to review the PPE to ensure that it is relevant and covers critical areas.

Validation Board accreditation visits

There were no validation visits for 2019/2020. Below is the list of ALSs' that were accredited for the fourth term council. Validation visits for the fifth term council begin in 2021.

Date of Validation Board	Institution	Qualification accredited	Type of validation
05–07 April 2017	University of the Free State (UFS)	1. Bachelor of Architectural Studies (BAS) 2. Bachelor of Architectural Studies (BAS) (Hons) 3. Master of Architecture (Professional) (M. Arch)	Unconditional continued validation
22–24 May 2017	Namibian University of Science & Technology (NUST)	1. Bachelor of Architecture 2. Bachelor of Architecture (Hons)	Initial unconditional validation
12–14 August 2017	Tshwane University of Technology (TUT)	1. Bachelor of Architectural Studies (BAS) 2. Bachelor of Architectural Studies [BAS (Hons)] 3. Master of Architecture (Professional) (M.Arch)	Unconditional continued validation
24–27 May 2015	Nelson Mandela University (NMU)	1. Bachelor of Architectural Studies (BAS) 2. Master of Architecture (March)	Unconditional continued validation
28–30 September 2015 and 15–16 August 2016	Cape Peninsula University of Technology (CPUT)	1. National Diploma: Architectural Technology 2. Bachelor of Technology: Architectural Technology	Conditional continued validation (in 2015) Unconditional continued validation (in 2016)
16–18 November 2015	University of KwaZulu-Natal (UKZN)	1. Bachelor of Architectural Studies (BAS) 2. Master of Architecture (March)	Unconditional continued validation
17–20 April 2016	Durban University of Technology (DUT)	1. National Diploma: Architectural Technology 2. (ND: Architectural Technology) 3. Bachelor of Technology: Architectural Technology 4. (BTech: Architectural Technology)	Unconditional continued validation
07–09 September 2016	University of Cape Town (UCT)	1. Bachelor of Architectural Studies (BAS) 2. Bachelor of Architectural Studies [BAS (Hons)] 3. Master of Architecture (Professional) (M. Arch)	Unconditional continued validation
12–14 September 2016	University of the Witwatersrand	1. Bachelor of Architectural Studies (BAS) 2. Bachelor of Architectural Studies [BAS (Hons)] 3. Master of Architecture (Professional) (M. Arch)	Unconditional continued validation
27 February 2017 – 01 March 2017	University of Pretoria (UP)	1. Bachelor of Architectural Studies (BAS) 2. Bachelor of Architectural Studies [BAS (Hons)] 3. Master of Architecture (Professional) (M. Arch)	Unconditional continued validation
Scheduled for April 2018	University of Johannesburg (UJ)	1. National Diploma: Architectural Technology 2. BTech: Architectural Technology 3. MTech: Architectural Technology	Unconditional continued validation

IDENTIFICATION OF WORK (IDOW)

SACAP is enjoined by the Architectural Profession Act to consult with all stakeholders and put together recommendations on the IDoW for each category of Registered Persons and submit same to the Council of the Built Environment (CBE). The CBE is enjoined by the Council for the Built Environment Act to identify the scope of work for each category of Registered Person after consultation with all relevant stakeholders.

In line with the provisions of the Architectural Profession Act, the IDoW Committee, chaired by Councillor Vusi Phailane consulted widely with the stakeholders on the recommendations of the IDoW for each category of Registered Persons and drafted recommendations. The recommendations were circulated to all stakeholders for comments.

On 4 December 2018, a stakeholder engagement took place to discuss the recommendations. After the stakeholder engagement, SACAP received more comments from Registered Persons and some comments came directly from the CBE which were attended to.

SACAP then submitted the recommendations on the IDoW for each category of Registered Persons to the CBE as prescribed in Section 26 (2) of the Architectural Profession Act. On 4 October 2019, the Council of the Built Environment (CBE) identified the scope of work for every category of registered persons for the architectural profession. The scope of work was published under gazette number 42739. The scope of work identified by the CBE is high level. Consequently, the CBE scope of work must be read in conjunction with SACAP Identification of Work Policy which will be published by SACAP.

GUIDELINES PROFESSIONAL FEES

Section 34 (1) of the Architectural Profession Act stipulates that the Council must, in consultation with the Voluntary Associations, formulate recommendations concerning the principles referred to in section 4(k)(v) of the Council for the Built Environment Act (CBE), 2000. Section 34 (2) states that the Council must annually, after consultation with the Voluntary Associations, determine professional guideline fees and publish those fees in the Gazette.

Section 4 (k) (v) of the CBE Act, stipulates that the CBE should develop consistent principles upon which the Councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition. In compliance with section 4 (k) (v) of the CBE Act, the CBE developed a policy framework on determination and review of Guideline Professional Fees for Built Environment Professions. SACAP developed draft Guideline Professional Fees in line with the framework.

In order to ensure that the Guidelines Professional Fees are in accordance with any legislation relating to the promotion of competition, SACAP consulted with the Competition Commission. Following the consultation, it was agreed that SACAP would prepare a formal submission justifying the publication Guidelines Professional Fees and provide international comparative studies. The information was provided to the Competition Commission. While we await a reaction from the Competition Committee, SACAP will be consulting with recognized Voluntary Associations.

VOLUNTARY ASSOCIATIONS (VAS)

VAs are independent organizations which promote and protect the interests of their members. They have an essential role to play in the profession, amongst other things, the implementation of CPD, in that they can accredit and offer Category One CPD activities.

SACAP determines, subject to section 25 of Architectural profession Act 44 of 2000, the requirements with which a voluntary association must comply to qualify for recognition by the council.

Recognised Voluntary Associations (VAS)

SACAP recognises the following Voluntary Associations according to the VA framework.

BKIA	SAIA Border Kei, Border Kei region of SAIA
CIFA	The Cape Institute for architecture, CIFA, a region of SAIA (the South African Institute of Architects)
FACE	Freedom Architecture Consulting Empowerment
GIFA	Gauteng Institute for Architecture, a region of SAIA
IID	The African Institute of Interior Design Professions
KZANIA	Kwazulu-Natal Institute for Architecture
PIA	Pretoria Institute for Architecture, a region of SAIA
SAIA	South African Institute of Architects
SAIA-EC	SAIA Eastern Cape, Eastern Cape region of SAIA
SAIA-FS	Free State Institute of Architects
SAIAT	The South African Institute of Architectural Technologist
SAIBD	South African Institute of Building Design
SAID	South African Institute of Draughting NPC



CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

CPD was implemented to ensure that Registered Professionals continuously develop their skills

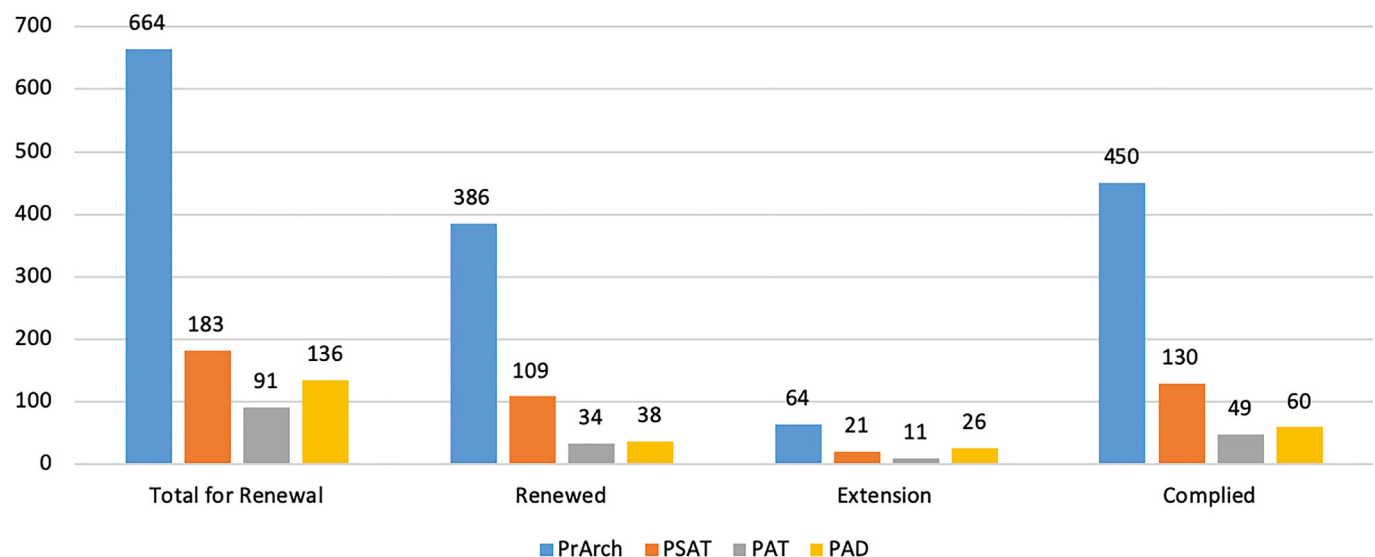
CPD is compulsory for all Registered Professionals in all categories of professional registration. This differs to Candidates registered with SACAP who submits MTR's.

The date of renewal of registration is determined by the Registered Professional's date of registration or re-registration.

A total of **1 074** Registered Professionals were due for renewal of the registration by January 2019, in terms of the CPD conditions.

Renewal of registration in terms of CPD Conditions:

Category		Total for Renewal	Renewed	Extension	Complied	Total
Professional Architects	PrArch	664	386	64	450	900
Professional Senior Architectural Technologists	PSAT	183	109	21	130	260
Professional Architectural Technologists	PAT	91	34	11	49	94
Professional Architectural Draughtspersons	PAD	136	38	26	60	124
TOTAL		1 074	567	122	689	1378



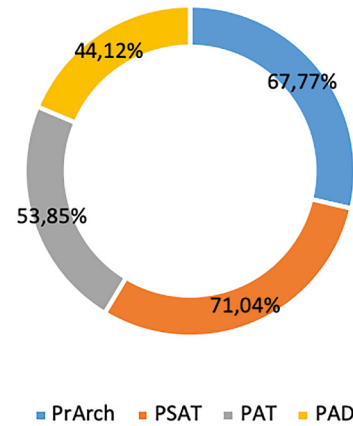
Percentage of Registered Professionals that complied with CPD requirements for the renewal of registration

Category		% Complied
Professional Architects	PrArch	67.77%
Professional Senior Architectural Technologists	PSAT	71.04%
Professional Architectural Technologists	PAT	53.85%
Professional Architectural Draughtspersons	PAD	44.12%
TOTAL		64.15%

Non-compliance with CPD requirements:

The main reasons for non-compliance are:

1. Failure to claim CPD credits annually:
 - Although registration is only renewed once every five years, RPs are required to submit their CPD credits on an annual basis;
2. Failure to pay the administration fee for renewal of registration:
 - At the end of the five-year cycle, professionals are required to apply for renewal of registration with the accumulation of stipulated minimum CPD point;
3. Failure to claim the minimum number of CPD Credits:
 - Registered Professionals do not claim the 5 Credits in Category 1, or the total of 25 credits, during a 5-year cycle.



RECOGNITION OF PRIOR LEARNING (RPL)

The purpose of RPL is to assess previously acquired skills, knowledge and experience. This is with the view to provide a Registered Professional with an opportunity to articulate to the next level of professional registration.

The RPL programme allows only for access to elevated professional registration and is not an academic qualification. Articulating within the profession will uplift the professional status of successful applicants and is expected to help them unlock more lucrative work opportunities. The highest registration category is that of Professional Architect.

Assessment Process

The RPL programme has been designed as a two-phase process. Before accessing the first online self-assessment phase, the Registered Professional must apply for an assessment and receive acknowledgement from SACAP that their application has been evaluated and accepted.

The successful applicant then has to provide information from five completed projects that demonstrate they meet the minimum standards in 10 different architectural outcome areas.

If eligible, the Registered Professional will then gain access to Phase 2: Authentication. This will require the submission of a portfolio of evidence for the projects they submitted in the self-assessment phase. An assessment panel reviews this portfolio.

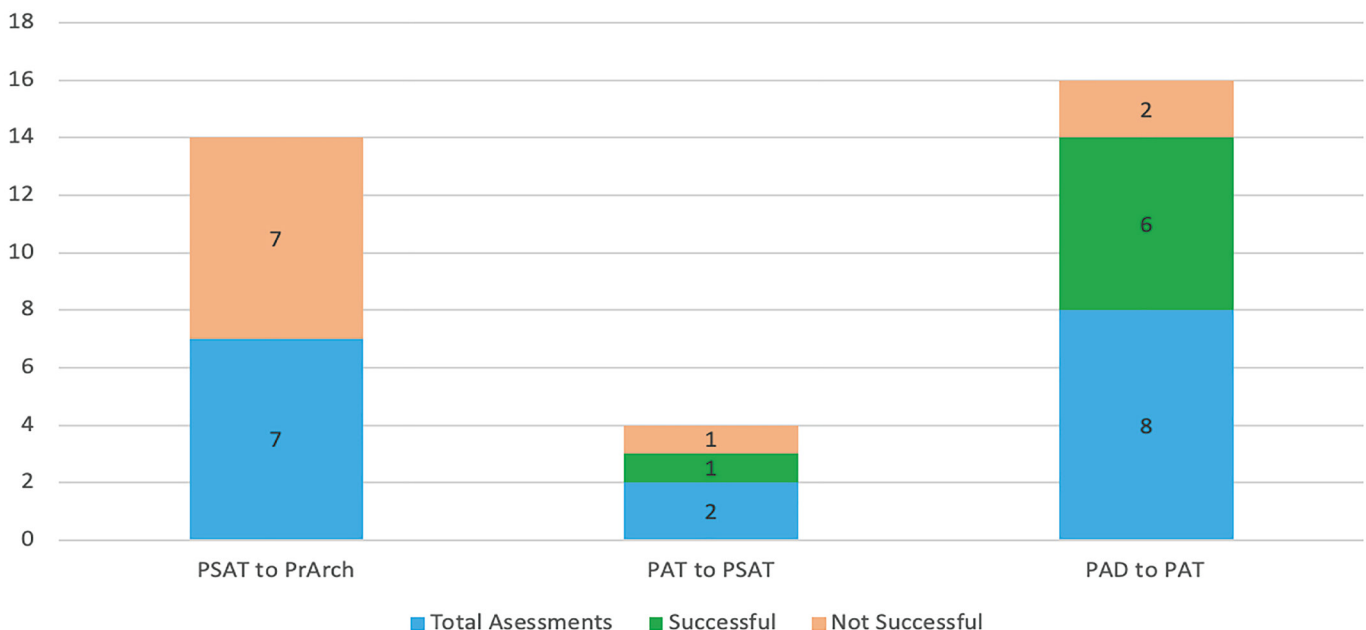
ASSESSMENTS COMPLETED DURING 2019/20

A total of 17 RPL assessments were finalized during the 2019/20 financial year.

7 Of the Applicants were successful and could apply for an upgrade to the next registration category.

10 Applicants were not successful.

By category of registration, the 17 Assessments are represented as follows:





PART C

Governance

INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on the Architectural Professions Act, corporate governance concerning public entities is applied and run in tandem with the principles contained in the King Report on Corporate Governance. Governance is the system by which SACAP is controlled and directed through sustainability as a citizen creating value in the architectural environment.

This Annual Report focuses on qualitative and quantitative activities arising in 2019/20 that are material to SACAP's business operations and strategic objectives. Materiality was determined through extensive consultation with stakeholders, and by taking into consideration, SACAP's core objectives and how its value chain operate. SACAP is mandated within six months from the close of each financial year, provide the CBE with a report regarding its activities during that financial year.

EXECUTIVE AUTHORITY

The Minister of the Department of Public Works is responsible for the appointment of SACAP Council members. The Council is responsible for the regulation of the profession. The CBE is responsible to ensure that there is uniform application of norms and guidelines set by Councils and to ensure consistency on the application of policy within the built environment.

Composition of the Council

The Council is appointed in terms of Section 3 of the Act, and it comprises of seven registered persons, excluding candidates, of which at least four must actively practice in the architectural profession, two professionals in the service of the State nominated by any sphere of government, of whom at least one must be nominated by the department; and two members of the public nominated through a public participation process.

The Role of the Council

Council sets the overall strategic direction for the organization.

Council Charter and Committee Functioning Guidelines

The purpose of this Charter is to provide an overview of the SACAP Council's composition, role, responsibilities, meeting procedures, remuneration, and other related matters. In addition, Council has Committee functioning guidelines which provide an overview of the composition of Committees, role, meeting procedures and other related requirements. Furthermore, Council has developed a Code of Conduct, whose purpose is to provide a framework to regulate the behavior of members of Council and other persons appointed to SACAP Committees by the Council in a way which supports SACAP's Vision, Mission and Objectives.



Composition of the Council					
Name	Designation (in terms of the public entity Board Structure)	Date appointed	Qualifications	Other committees or task teams (e.g.: Audit Committee/ Ministerial Task Team)	Number of meetings attended
Mr Charles Ntsindiso Nduku	President	April 2019	M.Arch, B.Arch, BAS	Professional Fees Committee, Transformation Committee	16
Ms Letsabisa Shongwe nèe Lerotholi	Vice President Chairperson: Professional Fees	April 2019	M. Arch, B.Tech Arch, N.Dip Arch	Professional Fees Committee, Registration Committee	12
Mr Lufuno Nematswerani	Chairperson: Remuneration Committee (REMCO)	April 2019	MBA, Post Graduate Diploma in management, Hons Degree in Human Resources Development	Audit and Risk Committee, Investigating Committee	19
Mr Kevin Bingham	Chairperson: Education Committee (EdCom)	April 2019	M.Arch	Recognition of Prior Learning (RPL) Subcommittee	15
Ms Mandisa Daki	Chairperson: Investigating Committee	April 2019	N.Dip Arch	Continuous Professional Development (CPD), RPL	19
Ms Lwazikazi Ngodwane	Chairperson: Stakeholder Relations Committee (SR)	April 2019	M.Arch	Stakeholder Relations Committee, Transformation Committee	19
Ms Karuni Naidoo	Chairperson: Transformation Committee	April 2019	B.Arch	Stakeholder Relations Committee, RPL Committees	15
Mr Mohammed Mohidien	Chairperson: Registration Committee	April 2019		Identification of Works (IDoW), RPL Committee	15
Mr Rowan Graham Nicholls		April 2019	B.Comm. CA(SA) CIA Computer Audit Qualification – NACCA	Audit and Risk Committee (ARC), REMCO Committee	4
Mr Vusi Phailane	Chairperson: IDoW Committee	April 2019	M.Arch, B.Arch, BAS	REMCO, Investigating Committee	17
Dr Sitsabo Dlamini	Chairperson: Continuous Professional Development	April 2019	MSc in International Construction Management, PhD in Political Economics,	Education Committee, RPL Committee	17

FIFTH TERM COUNCIL



Mr Ntsindiso Charles Nduku:
M.Arch, B. Arch, BAS
President
Active 2019-2023



Ms Letsabisa Shongwe nêe Lerotholi:
M. Arch, B.Tech Arch, N.Dip Arch
Chairperson: Professional Fees Guidelines Committee
Active 2019-2023



Dr Sitsabo Dlamini:
MSc in International Construction Management, PhD in Political Economics,
Chairperson: Continuous Professional Development
Active 2019-2023



Mr Lufuno Nematswerani (Public Representative):
MBA, Post Graduate Diploma in Management, Hons Degree in Human Resources Development
Chairperson: Remuneration Committee
Active 2019-2023



Mr Kevin Bingham:
M.Arch, B.Arch, BAS
Chairperson: Education Committee
Active 2019-2023



Ms Mandisa Daki:
N.Dip Arch
Chairperson: Investigating Committee
Active 2019-2023



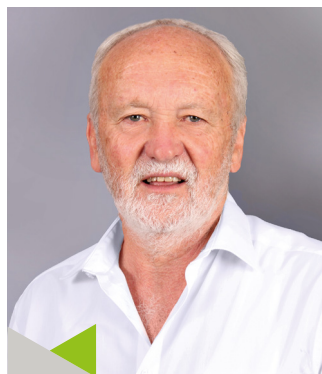
Ms Lwazikazi Ngodwane (State Representative):
M.Arch, B.Arch, BAS
Chairperson: Stakeholder Relations Committee
Active 2019-2023



Ms Karuni Naidoo:
B.Arch, BAS
Chairperson: Transformation Committee
Active 2019-2023



Mr Mohammed Mohidien:
Chairperson: Registration Committee
Active 2019-2023



Mr Rowan Graham Nicholls:
CA(SA) CIA Computer, Audit Qualification – NACCA
Active 2019-2023



Mr Vusi Phailane:
M.Arch, B.Arch, BAS
Chairperson: IDoW Committee
Active 2019-2023



Council Meeting Attendance			
Name	Number of Council and Committee Meetings attended	Number of special SR Events attended	Total Honoraria paid to each Councilor for each Council Meeting and SR Events Meetings
Mr. CNN Nduku (President)	16	26	R273 200,00
Ms. LR Shongwe née Lerotholi (Vice President)	12	23	R184 953,00
Mr. L Nematswerani	19	7	R174 552,00
Mr. K Bingham	15	10	R111 169,00
Ms. K Naidoo	15	20	R163 296,00
Mr. V Phailane	17	15	R176 904,00
Mr. M Mohidien	15	6	R116 640,00
Mr. RN Nicholls	4	5	R64 485,00
Ms. M Daki	19	8	R124 902,00
Dr. S Dlamini	17	8	R116 640,00
Ms. L Ngodwana	19	19	R157 470,00
Mr. K Manyathela	1		R3 888,00
Mr. R Lekota	2		R7 776,00
Mr. K Ranchod	2		R7 776,00

Remuneration of Council and Committee members

In terms of section 10 of the Architectural Profession Act, the Council may determine the remuneration and allowances payable to its members or the members of any Committee of the Council. The rate for honorariums for all Council and Committees is determined in line with the Treasurer Guidelines. Travel is paid at R3.61 per kilometer as per the SA Revenue Services (SARS) guideline. Council and Committee members receive honorariums for preparation and actual attendance of meetings.

Honoraria paid to each Council member, per meeting

President of Council	R5 230.00
Vice President of Council	R 4445.00
Chairperson of the Audit and Risk Committee	R8 687
Audit and Risk Committee Members	R7 239.00
Chairpersons of Committees	R3 888.00
Committee Members	R2109

Council Portfolio Committees				
Committee	Number of meetings held	Dates of each meeting	Number of members per committee	Names of committee members
Remuneration Committee	6	19 June 2019 06 July 2019 19 August 2019 28 October 2019 25 February 2020 18 March 2020	7	Mr Lufuno Nematswerani, Mr Vusi Phailane, Ms Julia Sefako, Mr Lepono J Masalesa, Mr Paul Mkhonza, Mr Rowan Nicholls
Audit and Risk Committee	6	3 June 2019 7 June 2019 8 August 2019 27 August 2019 6 November 2019 12 February 2020	5	Ms Nocwaka Oliphant, Mr Lufuno Nematswerani, Mr Tshepiso Poho, Mr Graham Nicholls, Ms Naniki Ramabi resigned in August 2019 and she was replaced by Ms Zelda Tshabalala
Education Committee	4	02 July 2019 11 September 2019 25 November 2019 24 February 2020	6	Mr Kevin Bingham, Dr Sitsabo Dlamini, Dr Hermie Delpont, Ms Nomagugu Manci, Mr Jonathan Manning, Ms Illze Wolf resigned 26 February 2020
Investigating Committee	4	04 July 2019 05 September 2019 11 November 2019 11 March 2020	7	Ms Mandisa Daki, Mr Lufuno Nematswerani, Ms Nompumelelo Nzuza, Ms Engela White, Mr Johan Naude, Mr Vusi Phailane, Ms Heleen Grimsehl du Toit
Identification of Work (IDoW) Committee	4	8 July 2019 6 September 2019 8 November 2019 27 January 2020	6	Mr Vusi Phailane, Mr Mohammed A Mohedien, Mr Dhanashwar Basdew, Mr Kevin Govender, Mr Frans J A Dekker, Mr Malcolm Ernest Campbell
Professional Fees Committee	4	01 July 2019 22 August 2019 29 January 2020 5 February 2020	6	Ms Letsabisa Shongwe, Mr Charles Nduku, Mr Marata Sadike, Mr Simmy Peerutin, Ms Heleen Grimsehl du Toit, Ms Thandeka Maduna
Stakeholder Relations Committee	4	3 July 2019 23 August 2019 11 October 2019 21 February 2020	5	Ms Lwazikazi Ngodwane, Ms Karuni Naidoo, Mr Keolebogile M. Motshabi, Ms Angela Baker, Ms Kay-Lee Cupido
Continuing Professional Development (CPD) Committee	5	05 July 2019 02 September 2019 04 November 2019 31 January 2020 10 March 2020	7	Dr Sitsabo Dlamini, Ms Mandisa Daki, Dr Judith Ojo-Aromokudu, Ms Evona E. Mapanga, Mr Lepono J Masalesa, Mr Koena Manyathela, Mr Philasande Jolobe
Registration Committee	4	24 May 2019 9 September 2019 20 November 2019 17 February 2020	5	Mr Mohammed A Mohiedien, Ms Letsabisa Shongwe, Ms Carol De Beer, Mr Philasande Jolobe, Mr Dhanashwar Basdew
Transformation Committee	4	14 May 2019 12 September 2019 28 November 2019 18 February 2020	6	Ms Karuni Naidoo, Ms Lwazikazi Ngodwane, Ms Tanzeem Razak, Mr Anees Arnold, Mr Malcolm Ernest Campbell, Mr Clive Truter



RISK MANAGEMENT

As per SACAP's governance protocols, the Audit and Risk Committee operated in this reporting period with an independent Chairperson and conducted its affairs in compliance with corporate governance principles.

In the year under review, the Supply Chain Management Policy was approved by Council in order to direct the procurement process in line with SACAP's strict adherence to corporate governance principles. The SACAP's Council continued to use the reports of Internal Audit service provider to guide the development of a Risk Management Plan, including an internal Risk Register.

The SACAP has developed, approved and implemented the Risk Management Framework, Risk Management Policy, Fraud Prevention Policy as well as Fraud Prevention plan in order to ensure that risks are identified, registered, managed and mitigated against. Furthermore, there are formulated, approved and implemented policies by each of SACAP's departments to ensure that processes and controls are in place to mitigate against unacceptable levels of risk.

INTERNAL CONTROL

SACAP's Registrar oversees the regulator's various internal departments to ensure that SACAP fulfils its statutory mandates and monitors them daily.

The system of controls is designed to provide assurance that assets are safeguarded, policies are complied with, information is reliable and liabilities are efficiently-managed. In line with the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit and Risk Committee, Council and management with the assurance that the internal controls are appropriate and effective and that it identifies corrective actions to be taken by SACAP where necessary. The standard operating procedures were developed for each SACAP's department.

In the reporting period, the following audits were conducted by the Internal Auditors in accordance with their Internal Audit Plan:

- Follow up of Prior Year Audit findings;
- Legal and Compliance audit;
- Professional Statutory Services audit; and
- Post Implementation Review (Server Infrastructure Refresh)

Auditor reports are submitted to the Audit and Risk Committee (where the Internal Auditors are also invited to present the report).

LEGAL, COMPLIANCE AND COMPLAINTS

Investigation of complaints of improper conduct

The Architectural Professions Act 44 of 2000 enjoins SACAP to take any steps it considers necessary for the protection of the public in their dealings with Registered Persons. This is aimed at strengthening the maintenance of the integrity and the enhancement of the status of the architectural profession.

To that end, complaints of improper conduct against Registered Persons are lodged by any aggrieved member of the public in an affidavit form, under oath or affirmation. In cases where the Council has reasonable grounds to suspect that a Registered Person has committed an act which may render him or her guilty of improper conduct, the Council has powers to initiate a complaint. The Investigating Committee (“InvCom”) is delegated by Council to investigate all complaints of improper conduct and to obtain evidence to determine whether or not, in its opinion, a Registered Person may be charged with improper conduct for contravention of the Code of Professional Conduct and, if so, whether it seeks to lay a charge (or charges) of improper conduct against the Registered Person.

Furthermore, the InvCom undertakes measures to determine trends in relation to contraventions of the Code of Professional Conduct in the architectural profession, and initiates preventative measures against acts of improper conduct. To this end, SACAP continuously provides workshops on Rules of Professional Conduct to Registered Persons.

The investigation of complaints of improper conduct and subsequent actions against Registered Persons found guilty of improper conduct are intended to protect the public and safeguard the reputation or image of the Architectural Profession and maintain professional standards.

2019/2020 Statistics

Number of Complaints	2019/2020
Complaints received	155
Complaints investigated by InvCom	103
Disciplinary hearings concluded	11
Pleas of Guilt secured	37
Cases opened with the SAPS against persons who are not registered	38
Persons who practice architecture during the period in which registration is cancelled	8
Complaints currently under investigation	52
Appeals received in the reporting period	4

Complaints Received per Category of Registration in 2019/2020

Professional Category of Registration	Number Of Complaints
Professional Architect	16
Candidate Architect	1
Professional Senior Architectural Technologist	19
Candidate Senior Architectural Technologist	1
Professional Architectural Technologist	21
Candidate Architectural Technologist	3
Professional Architectural Draughtsperson	34
Candidate Architectural Draughtsperson	20
Complaints against persons who are not registered	48
Total	163



FRAUD AND CORRUPTION

During the period under review, a Fraud Prevention Policy has been developed. Management is responsible for the detection and prevention of fraud and corruption. The internal risk register monitors the possibilities of unpredictable risks of fraud and corruption.

Fraud awareness is promoted through direct line managers' sensitizing their direct reports monthly. Specific mechanisms for staff to confidentially report their suspicions about fraud and corruption are within SACAP's operational management system.

Council and executive management encourage all their stakeholders to report any perceived threat of fraud and corruption through the legal and Compliance Unit. Future improvements are a Fraud Hotline.

MINIMIZING CONFLICT OF INTEREST

The procurement policy is strictly adhered to when goods and services are procured for SACAP, as well as during tender processes. The following outlines the stipulated process:

A requisition is raised, accompanied by three quotations. The delegated person approves the requisition. Upon receipt of the requisition, the order is raised with the relevant identified and selected supplier. Upon delivery of the goods and services, an invoice is signed off by the requester of goods and services. Thereafter, the invoice is payable by the Finance Unit. No conflict of interest had been identified in the process during the reported period.

CODE OF CONDUCT

Council has developed a Code of Conduct, which purpose is to provide a framework to regulate the behavior of members of Council and other persons appointed to SACAP Committees by the Council in a way, which supports SACAP, its vision, mission and objectives.

By accepting appointment as a SACAP Councillor or Committee member, a person will automatically be required to abide by this Code and SACAP's policies in general and to sign a copy of the Code in confirmation of his/her undertaking to be bound by the Code. The Code applies to all Councillors and Committee members and as such, all Councillors and Committee members sign this Code and relevant annexures on their appointment as a Councillor or as a member of a Committee. A Council member will be in breach should they act in contradiction of the following behavioural areas noted and defined in the Code of Conduct:

- General conduct exemplifying honesty and integrity.
- Personal dealings with SACAP without expectation of preferential treatment.
- Respectful regard for SACAP resources.
- Attendance at all Council meetings.

HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Internal: SACAP staff

The South African Council for the Architectural Profession as an employer considers its employees to be its most valuable assets and undertakes to safeguard them through providing and maintaining a working environment that is safe and without risk to the health of its employees. In ensuring a safe and healthy working environment, all the Council employees work closely together with the employer in minimizing any risk that might jeopardize the health and safety of employees of the Council.

Management of SACAP ensures that activities are undertaken to ensure compliance with the Occupational, Health and Safety Act. To this end, in the reporting period:

- An emergency evacuation plan was compiled and circulated to all staff members
- Two Health and Safety Representatives were appointed and went for training in April 2017
- When Council and committee meetings commence, members are taken through the evacuation by the relevant Committee Coordinator

Council also reports that in the period under review, there were:

- No reported cases of accidents or incidents
- No reported cases of adverse health in accidents or incidents

SOCIAL RESPONSIBILITY

Over and above its statutory mandate, SACAP considers the interests of communities and stakeholders in all its aspects of its operations. SACAP is committed to using its resources to benefit and uplift communities.

Cell C's Take a Girl Child to Work Day

As part of its efforts to transform the sector to be more representative of South African society and be inclusive of women and youth, from historically-disadvantaged communities, SACAP participated in Cell C's Take a Girl Child to Work Day. This is both a national and annual corporate social investment movement in its 18th year.

Almost 650 companies are participating, including government entities. All organizations involved arrange for female learners (school pupils), usually from disadvantaged backgrounds, to spend the day at their place of work. Last year the event took place on 30 May 2019. SACAP arranged for four Grade 11 and 12 young women from Kwabhekilanga Secondary School in Alexandra to visit Arch-Live Architects, to receive mentorship from Ms Letsabisa Shongwe who is the SACAP's Vice-President, a Professional Architect.

The learners were selected because of their aptitude in Maths and Science and their interest in the architectural profession. Architectural practice collaborated with SACAP in the Corporate Social Investment (CSI) initiative. It offered the young learners the opportunity to job-shadow the different categories of the Architectural Profession such as Professional Architectural Draughtspersons, Professional Architectural Technologists, Professional Senior Technologists and Professional Architects.



Mandela Day

In celebration of the centenary year of the global icon, Nelson Rolihlahla Mandela, whose selfless contribution to the improvement of the lives of others is commemorated around the world on 18 July – his birthday – SACAP visited the Zithandwa Daycare, where they painted the daycare and also bought wall tiles for one of the rooms used by the kids. Furthermore, the Council purchased winter set for kids.



SACAP'S EDUCATION FUND

SACAP has been distributing a total amount of R440 000 to the ALSs through the Education Fund annually. These are the Universities and Universities of Technology that are validated by SACAP to offer architectural programmes. The ALSs distribute these funds to the Students with the aim of advancing transformation. Henceforth, from the year 2020, The 5th Term Council resolved that SACAP would administrate the funding of the student bursaries, a call went out for students to apply directly to the Education unit. Students from previously disadvantaged backgrounds will be given preference.



AUDIT & RISK COMMITTEE REPORT FOR THE PERIOD ENDING 31 MARCH 2020

1. Audit and Risk Committee attendance 2019/2020

The audit and risk committee meets at least four times per annum in line with its approved charter. Six meetings, including special meetings, were held during the year.

The table below discloses relevant information on the Audit and Risk Committee members.

Name of the Member	Date appointed	Number of meetings attended
Ms Nocwaka Oliphant - Independent Chairperson	May 2019	6
Mr Tshepo Poho -Independent Member	May 2019	6
Ms Zelda Tshabalala -Independent Member	August 2019	2
Mr Lufuno Nematswerani - Council Representative	May 2019	6
Mr Rowan Graham Nicholls- Council Representative	May 2019	3

2. Audit and Risk Committee responsibility

The audit and risk committee reports that it has adopted appropriate formal terms of reference as its charter and has managed and regulated its affairs in compliance with this charter. The Audit and Risk Committee's role and responsibilities include statutory duties per the terms of reference, and further responsibilities assigned to it by the Council.

3. The Effectiveness of Internal Controls

The audit and risk committee obtains assurances from management, internal audit and the external auditors on the effectiveness of governance, risk management and internal controls in the areas of financial management, performance management, compliance management and information communication and technology (ICT). Management has made positive progress in addressing the internal control deficiencies that have been reported on in the prior years by internal audit and the external audit. Some weaknesses in the system of internal controls remained for the period, and were raised with management and the Council. Management is still in the process of rectifying the weaknesses that have not been fully addressed.

4. Risk Management

The audit and risk committee is responsible for oversight of risk management. The Council has adopted a risk management framework, risk management policy and fraud prevention policy for SACAP. SACAP has established a risk management committee, chaired by an independent audit and risk committee member that reports quarterly to the audit and risk committee. The risk management processes are reviewed by internal audit. There has been an improvement in the risk management processes of the SACAP from the prior year. The audit and risk committee is satisfied with the overall risk management function and made recommendations to management to enhance the risk function.

5. Internal Audit

The Council's internal audit function is outsourced and was operational for the entire period under review. The independence of the internal audit was monitored throughout the period. Internal audit follows a risk based approach, which incorporates management's risk assessment. The internal audit plans and reports issued for the period under review were all reviewed by the audit and risk committee.

The following internal audits were completed during the year under review:

- Legal and compliance;
- Professional Statutory Services;
- Performance Information (Performance against Objectives);
- Follow up on External Audit Findings;
- Follow up on Internal Audit findings for the following areas:
 - Governance and Compliance;
 - Registration and Professional Development;
 - Performance Information (Performance against Objectives);
 - Financial Controls;
 - Information Technology; and
 - Supply Chain Management.

The overall assessment of Internal Audit is that existing organisational governance, risk management, and internal control systems are partially adequate and effective with regards to management of risks that threaten the achievement of organisational strategic, sustainability, operational, compliance and financial objectives.

6. Evaluation of the finance function

The finance function is adequately capacitated and led by a suitably qualified and competent Senior Manager: Finance. The audit and risk committee is overall satisfied with the performance of the finance function for the period under review.

7. Evaluation of Annual Financial Statements

The Audit and Risk Committee has reviewed the annual financial statements, which focused on the following:

- Significant financial reporting judgements and estimates contained in the annual financial statements.
- Clarity and completeness of disclosures and whether disclosures made have been set properly in context.
- Quality and acceptability of, and any changes in, accounting policies and practices.
- Compliance with accounting standards and legal requirements.
- Significant adjustments and/or unadjusted differences resulting from the audit.
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted.
- Reasons for major year-on-year fluctuations, including variances of actual versus budget.
- Asset valuations and revaluations.
- Levels of general and specific provisions.
- Write-offs.
- The basis for the going concern assumption, including any financial sustainability risks and issues.

Except for the matters identified by the External Auditors in the audit report, the audit committee is comfortable that the annual financial statements fairly present the financial position of SACAP as at 31 March 2020.

8. External Auditor's Report

The Audit and Risk Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited financial statements be accepted and read together with the External Auditor's Report.

9. Appreciation

The Audit and Risk Committee expresses its sincere appreciation to the Council, Registrar, Management team, Internal Audit and External audit for their co-operation towards us achieving the requirements of our Charter as mandated.



Ms Nocwaka Oliphant

Chairperson of the Audit Committee SACAP



PART D

Human Resources

INTRODUCTION

HR priorities under the review period

Human Resource Management (HRM) systems are a critical component of every organisation and encompass models, practices, orientations and other vital elements, which impact on the efficiency and relevance of the services and other related outputs provided to users. The associated successes and failures of HRM systems ultimately have a significant impact on the organisation.

SACAP has developed a five-year strategy to unleash the enormous potential of people working in the organisation. Taking this into account, HR plays an essential role in ensuring that the organization has a workforce that has the critical skill, qualification and experience to execute the strategy. Training and development are also vital in ensuring that the current workforce is developed to perform their duties at their peak and support the strategy.

Workforce Planning Framework and Key Strategies

SACAP developed a 5-year strategy and reviewed the organizational structure to ensure that SACAP has capacity to implement the strategy. Structure and strategy are dependent on each, a good strategy must be supported by a competent and qualified workforce. SACAP has not been able to fill in critical positions due to budgetary constraints. This has had serious impact on the implementation of the strategy.

Employee Performance Management Framework

SACAP has an effective performance review process which is creating the best possible environment for employees to succeed in their roles. For the organization to be successful, employees are allowed to give and receive constructive feedback, identify their strengths and scope for improvement, and support their individual growth and development.

Employee Wellness Programmes

Most people think of employee wellness programs as programs that focus on the physical body – such as providing means to exercise during the day – eating healthier or losing weight, but it is just as important for employees to have good mental and emotional health. For this reason, SACAP has engaged the services of the medical aid and provident fund brokers to have one on one sessions with employees to assist them with their financial wellbeing. SACAP employees also participate on the MTN Walk the Talk in 2019/2020, there are health benefits as well as team building benefits.

Policy Development

Human resource policies are in place to recruit, develop, assess, and reward employees. Having policies written is essential so that it is clear to all what the policies are and that they are applied consistently and fairly across the organization. SACAP under the 5th term Council embarked on a lengthy process of reviewing and workshopping the Human Resources policies. Eighteen policies were approved by the Council and implemented by the Human Resources department in the 2019/2020 financial year.

Highlight Achievement

A workshop was held for all employees on transformation and diversity. Furthermore, Human Resources policies were reviewed, workshopped and approved by Council. Employee benefits are continuously revised with the Broker to source for the best and cost-effective benefits for employees which also saves costs for SACAP on risk benefits.

Future HR Plans and Goals

The organogram was reviewed to align with SACAP's five years' strategy. The Succession and Retention Policy were also approved. HR plans to source for recruits to fill in the new positions that have been added on the organogram. This will be a lengthy process as incumbents will have to be able to fit with the culture of the organization. Recruitment on its own is a costly process, and if not done right might cost the company more if the incumbent doesn't fit in and end up resigning.



HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel Cost by programme/ activity/ objective

Programme/ activity/objective	Total Expenditure for the entity (R)	Personnel Expenditure (R)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R)
Support Services	9 575 601.62	416 330.51	52.42%	23	416 330.51
Operational Services	8 689 181.09	321 821.52	47.57%	27	321 821.52

Personnel cost by salary band

Level	Personnel Expenditure (R)	% of personnel exp. To total personnel cost (R)	No. of employees	Average personnel cost per employee (R)
Top Management	1 438 632.42	7.87%	1	1 438 632.42
Senior Management	1 200 000.00	6.57%	1	1 200 000.00
Professional qualified	10 423 778.85	57.07%	21	496 370.42
Skilled	4 944 792.57	27.07%	25	197 791.10
Semi-skilled	257 578.87	1.41%	2	128 789.44
Unskilled	0	0	0	0
TOTAL	18 264 782.71	100%	50	5 140 147.54

Performance Rewards

Programme/activity/ objective	Performance rewards	Personnel Expenditure (R)	% of performance rewards to total personnel cost (R)
Top Management	0.00	0.00	0
Senior Management	0.00	0.00	0
Professional qualified	0.00	0.00	0
Skilled	0.00	0.00	0
Semi-skilled	0.00	0.00	0
Unskilled	0.00	0.00	0
TOTAL	0.00	0.00	0

Training Costs

Programme/ activity/objective	Personnel Expenditure (R)	Training Expenditure (R)	Training Expenditure as a % of Personnel Cost	No. of employees trained	Avg training cost per employee
SLA Training	17 800 487.12	78 720.50	97.45%	44	1 789.10
POPI Training	0	0	0	0	0

Employment and vacancies

Programme/ activity/objective	2018/2019 No. of Employees	2019/2020 Approved Posts	2019/2020 No. of Employees	2019/2020 Vacancies	% of vacancies
Top Management	1	1	1	0	0
Senior Management	2	4	1	3	5.35%
Professional qualified	15	23	21	4	7.14%
Skilled	27	26	25	5	8.96%
Semi-skilled	2	2	2	0	0
Unskilled	0	0	0	0	0
TOTAL	47	56	50	12	21.45

There are currently twelve positions that need to be filled within SACAP as per the approved organogram. Due to budget constraints in the 2019/2020, the twelve positions could not be filled, but much strategic planning has been put in place. Due to the Corona-19 pandemic, it will be challenging to fill the vacant positions in the 2020/2021 financial year as a different approach has to be considered in saving costs without affecting the current workforce.

Employment changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	0	1	0	1
Senior Management	1	1	1	1
Professional qualified	14	7	2	19
Skilled	21	5	3	20
Semi-skilled	2	0	0	2
Unskilled	0	0	0	0
Total	38	14	6	43

The following appointments were made in the Financial Year:

- Toto Fiduli – Registrar
- Maduwele Segobola – Senior Finance Manager
- Maphuti Mothapo – Finance Manager
- Refilwe Rampedi – Committee Coordinator
- Londiwe Cetshwayo – Committee Coordinator
- Ntokozo Masango – Stakeholder Relations Manager
- Mamokete Sehoole – PA to Registrar
- Elelwani Ndou – Creditors Administrator
- Siyaneliswa Maja – Committee Coordinator
- Rickey Moodley – Education Officer
- Bessie Hlophe – Legal & Compliance Officer
- Thabani Njzela – Legal Intern
- Manoko Makumula – Temp: Stakeholder Relations Administrator
- Gugu Mdluli – Registrations Administrator
- Stephinah Ramasodi – Registrations Administrator
- Primrose Seerane – CPD Administrator
- Nandipha Ndabana-Senior Committee Coordinator



Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0
Resignation	4	8%
Dismissal	0	0
Retirement	0	0
Ill health	0	0
Expiry of contract	1	2%
Other (Retrenchment)	0	0
Total	5	10%

The following employees left SACAP during the financial year:

- Dipuo Sello – Finance Manager
- Sindiswa Jojo – Temp: Finance Officer
- Adivhaho Madou – Legal Intern
- Paul Leteane – Procurement Administrator
- Thembeka Jacobs – Temp: Debt Collection Administrator
- Seithati Mafologelo – General Assistant

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	8
Written Warning	4
Final Written warning	2
Dismissal	0

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	1	2	0	0	0	0	0	0
Professional qualified	3	0	1	1	1	0	0	0
Skilled	8	2	1	2	0	0	0	1
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	13	4	2	3	1	0	0	1

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	1	0	0	0	0	0	0
Professional qualified	14	2	0	1	0	0	2	1
Skilled	14	0	2	2	0	1	0	0
Semi-skilled	2	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	30	3	2	3	0	1	2	1

Levels	DISABLED STAFF			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	1	0	0	1
Skilled	0	0	0	1
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	1	0	0	2



PART E

Financial Information

ANNUAL FINANCIAL STATEMENTS OF SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION

(Established under the Architectural Profession Act no 44 of 2000)

Consolidated Annual Financial Statements for the year ended 31 March 2020

The reports and statements set out below comprise the consolidated annual financial statements presented to the Council:

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The supplementary information presented does not form part of the consolidated management Statements and is unaudited:

Detailed Income Statement	98 - 99
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GENERAL INFORMATION

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Statutory body that regulates the registration of Architectural Profession in South Africa
Registered Office	51 Wessel Road Right Wing Rivonia 2128
Business Address	51 Wessel Road Right Wing Rivonia 2128
Council	<p>During the year end up to the date of this report the Council was constituted as follows:</p> <p>Mr NC Nduku - (Appointed as President on 17 April 2019)</p> <p>Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019)</p> <p>Ms K Naidoo (Appointed 17 April 2019)</p> <p>Ms N Daki (Appointed 17 April 2019)</p> <p>Ms L Ngodwane (Appointed 17 April 2019)</p> <p>Dr S Dlamini (Appointed 17 April 2019)</p> <p>Mr V Phailane (Appointed 17 April 2019)</p> <p>Mr K Bingham (Appointed 17 April 2019)</p> <p>Mr MA Mohidien (Appointed 17 April 2019)</p> <p>Mr RG Nicholls (Appointed 17 April 2019)</p> <p>Mr L Nematswerani (Appointed 17 April 2019)</p> <p>Mr K Manyathela (Appointed 01 December 2017 until 3 May 2019)</p> <p>Mr R Lekota (Appointed 15 April 2014 until 3 May 2019)</p> <p>Mr K Ranchod (Appointed 08 September 2014 until 3 May 2019)</p> <p>Mr P Jolobe (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)</p>
Bankers	First National Bank Nedbank Investec Bank
Auditor	PricewaterhouseCoopers Inc. Registered Auditors
Level of Assurance	These Annual Financial Statements have been audited in compliance with the applicable requirements of Architectural Profession Act, no 44 of 2000
Preparer	The annual financial statement were compiled by Maphuti Mothapo CA(SA): Finance Manager
Published	22 September 2020

INDEPENDENT AUDITOR'S REPORT

To the Council Members of the South African Council of the Architectural Profession

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of South African Council of the Architectural Profession (the Council) and its subsidiaries (together the Group) as at 31 March 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

South African Council of the Architectural Profession's consolidated and separate financial statements set out on pages 69 to 99 comprise:

- the consolidated and separate statement of financial position as at 31 March 2020;
- the consolidated and separate statement of comprehensive income for the year then ended;
- the consolidated and separate statement of changes in equity for the year then ended;
- the consolidated and separate statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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 consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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)*.

Other information

The Council Members are responsible for the other information. The other information comprises the information included in the document titled "Registrar's Report." The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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. We have nothing to report in this regard.

Responsibilities of the Council Members for the financial statements

The Council Members are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the International Financial Reporting and for such internal control as the Council Members determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Council Members are responsible for assessing the Group'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 Council Members either intend to liquidate the Group and/or the Council 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council Members.
- Conclude on the appropriateness of the Council Members' 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 Group's and the Council'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 consolidated and separate 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 Group and / or Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council Members 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.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Raj Dhanlall

Registered Auditor

Waterfall City, Johannesburg, South Africa

6 October 2020

COUNCIL MEMBERS RESPONSIBILITIES AND APPROVAL

The Council members are required by the Architectural Profession Act No 44 of 2000 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements satisfy the financial reporting standards as to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the Council, and explain the transactions and financial position of the business of the Council at the end of the financial year. The consolidated annual financial statements are based upon appropriate accounting policies consistently applied throughout the Council and supported by reasonable and prudent judgements and estimates.

The Council members acknowledge that they are ultimately responsible for the system of internal financial control established by the Council and place considerable importance on maintaining a strong control environment. To enable the Council members to meet these responsibilities, the Council 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 Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach.


The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council members are of the opinion, based on the information and explanations given by management and the internal auditors, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the Council members have no reason to believe that the Council will not be a going concern in the foreseeable future. The consolidated annual financial statements support the viability of the Council.

The Council members have reviewed the Council's cash flow forecast and, in the light of this review and the current financial position, it is satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements have been audited by the independent audit firm, PriceWaterhouseCoopers Inc., who have been given unrestricted access to all financial records and related data, including minutes to all meetings of the Council. The Council members believe that all representations made to the independent auditors during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on page 64 - 65.

The consolidated and separate annual financial statements as set out on pages 69 to 97 were approved by the Council on 22 September 2020 and were signed on their behalf by:



Mr Ntsindiso Charles Nduku
President



Ms Letsabisa Shongwe né Lerotholi
Vice President



REGISTRAR'S REPORT

The Registrar presents his report for the year ended 31 March 2020.

1. Review of activities

Main business and operations

The entity is a statutory body that regulates the registration of architectural professionals in South Africa and there were no major changes herein during the year.

The South African Council for the Architectural Profession (SACAP) (the entity) is a regulatory body that was established by the Architectural Profession Act, 2000 (Act No. 44 of 2000), which was published on 1 December 2000 and came into effect on 26 January 2001.

Mission

- A SACAP that is inclusive and transparent;
- An Architectural Profession recognised as a global leader in the built environment;
- A clear understanding of our mandate amongst other regulators and stakeholders towards comprehensive conclusive delivery.

Vision

Transformed Architectural leaders serving society in a sustainable built environment. The Council is tasked with making the major decisions within the organisation. Council Members serve a term of four years.

2. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The application of this basis is supported by the application of a detailed budget process and ongoing compliance with budgeting controls.

The Council is not aware of any new material changes that may adversely impact the entity. The Council is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislations which may affect the entity.

3. Events after reporting date

All events subsequent to the date of the consolidated annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

Subsequent to the reporting period the world COVID-19 pandemic is likely to have a lasting and detrimental effect on the economy. Following the announcement by the President of South Africa on 23 March 2020 enforcing a nationwide lockdown, most sectors of South African economy have been impacted severely and our Built Environment was not spared. The South African Council for the Architectural Profession (SACAP) is also feeling the impact of this economic disaster.

In the month of April 2020, the SACAP has experienced a significant slowing down in the collection of annual fees in comparison to the April months of the previous years. The Council, in an emergency meeting held on 22 April 2020, resolved to put various measures in place in order to assist the SACAP to survive these tough times in the new financial period.

The Council put measures in place in response to the impact of COVID-19 pandemic in 2020/21 financial year. The payment terms for 2020/21 Annual Fees invoices have been extended from normal 60 days to 180 days as a measure to assist the Registered Persons (RPs) in these difficult times and as a result, the patterns of cash collection of annual fees are unpredictable in the first half of the financial year. The events did not result in material adjustment to the reported financial statement.

4. Council members

The members of the Council during the year and to the date of this report are as follows:

Mr NC Nduku - (Appointed as President on 17 April 2019)
Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019)
Ms K Naidoo (Appointed 17 April 2019)
Ms N Daki (Appointed 17 April 2019)
Ms L Ngodwane (Appointed 17 April 2019)
Dr S Dlamini (Appointed 17 April 2019)
Mr V Phailane (Appointed 17 April 2019)
Mr K Bingham (Appointed 17 April 2019)
Mr MA Mohidien (Appointed 17 April 2019)
Mr RG Nicholls (Appointed 17 April 2019)
Mr L Nematswerani (Appointed 17 April 2019)
Mr K Manyathela (Appointed 01 December 2017 until 3 May 2019)
Mr R Lekota (Appointed 15 April 2014 until 3 May 2019)
Mr K Ranchod (Appointed 08 September 2014 until 3 May 2019)
Mr P Jolobe (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)

5. Operating results

The operating results and consolidated Statement of Financial Position of the Council are fully set out in the annual financial statements.

The net surplus of R6.5 million (2019: net deficit of R4.7 million) was recorded in the year ended 31 March 2020.

The higher net surplus in comparison to the previous financial year was mainly as a result of the following:

- R5.5 million as a result of releasing of long outstanding debtors with credit balances offset by write-off of long outstanding trade and other receivables.
- R1.7 million decrease in tribunal expenses due to more Registered Persons with professional misconduct opting for settlement as opposed to tribunal hearing.
- R2 million decrease in salaries due to delayed appointments and revised salaries for top management.

The above favourable effect in the income statement were offset by:

- R0.8 million increase in honorarium expenses due to higher number of meetings held in the current financial year.
- R1.0 million increase in depreciation and amortisation as a result of the purchase of a new server in the current financial year.

6. Annual Financial Statements

The Annual Financial Statements are classified as follows:

The South African Council for the Architectural Profession, including balances and transactions of the SACAP Education Fund, is categorised as "Consolidated"

The South African Council for the Architectural Profession, excluding balances and transactions of the SACAP Education Fund, is categorised as "Council"



Advocate Toto Fiduli

Registrar

22 September 2020



STATEMENTS OF FINANCIAL POSITION

as at 31 March 2020

Figures in Rand	Notes	Consolidated		Council	
		2020	2019	2020	2019
Assets					
Non-Current Assets					
Property, plant and equipment	6	16,500,971	16,046,844	16,500,971	16,046,844
Intangible assets	7	586,803	64,989	586,803	64,989
		17,087,774	16,111,833	17,087,774	16,111,833
Current Assets					
Financial assets	8	3,035,080	[^] 6,091,536	3,035,080	[^] 6,091,536
Trade and other receivables	9	825,387	* 4,402,255	825,387	* 4,402,255
Cash and cash equivalents	10	11,226,449	[^] 8,925,291	8 970 655	[^] 6,327,749
		15,086,916	19,419,082	12,831,122	16,821,540
Total Assets		32,174,690	35,530,915	29,918,896	32,933,373
Equity and Liabilities					
Equity					
Retained earnings		27,759,934	21,301,146	25,984,139	19,143,604
		27,759,934	21,301,146	25,984,139	19,143,604
Non-Current Liabilities					
Finance lease liabilities	11	-	77,417	-	77,417
Current Liabilities					
Trade and other payables	12	4,337,392	* 14,067,987	3,857,393	* 13,627,987
Current portion of finance lease liabilities	11	77,364	84,365	77,364	84,365
		4,414,756	14,152,352	3,934,757	13,712,352
Total Equity and Liabilities		32,174,690	35,530,915	29,918,896	32,933,373

[^] - The short term investments amounting to R8,4 million (Consolidated) and R5.2 million (Council) were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.

* - Reclassification of previous year's cash received in advance amounting to R2 million from trade and other receivables to trade and other payables.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2020

Figures in Rand	Notes	Consolidated		Council	
		2020	2019	2020	2019
Revenue	13	34,343,736	31,502,175	34,343,736	31,502,175
Other income	14	1,396,036	2,123,105	1,396,036	2,123,105
Operating costs		(30,702,294)	(39,750,030)	(30,180,744)	(39,308,699)
Operating Surplus/(Deficit)		5,037,478	(6,124,750)	5,559,028	(5,683,419)
Finance income	16	1,434,398	1,490,674	1,294,595	1,330,719
Finance costs	17	(13,088)	(21,529)	(13,088)	(21,529)
Surplus/(Deficit) for the year		6,458,788	(4,655,605)	6,840,535	(4,374,229)

STATEMENT OF CHANGES IN EQUITY

as at 31 March 2020

Figures in Rand	Retained earnings	Total
Consolidated		
Balance at 1 April 2018 as previously reported	25,956,381	25,956,381
Adjustment due to error	370	370
Balance at 1 April 2018 as adjusted	25,956,751	25,956,751
Total comprehensive deficit for the year		
Deficit for the year	(4,655,605)	(4,655,605)
Total comprehensive deficit for the year	(4,655,605)	(4,655,605)
Balance at 31 March 2019	21,301,146	21,301,146
Balance at 1 April 2019	21,301,146	21,301,146
Total comprehensive income for the year		
Surplus for the year	6,458,788	6,458,788
Total comprehensive income for the year	6,458,788	6,458,788
Balance at 31 March 2020	27,759,934	27,759,934



STATEMENT OF CHANGES IN EQUITY

as at 31 March 2020

Figures in Rand	Retained earnings	Total
Council		
Balance at 1 April 2018 as previously reported	23,517,463	23,517,463
Adjustment due to error	370	370
Balance at 1 April 2018 as adjusted	23,517,833	23,517,833
Total comprehensive deficit for the year		
Deficit for the year	(4,374,229)	(4,374,229)
Total comprehensive deficit for the year	(4,374,229)	(4,374,229)
Balance at 31 March 2019	19,143,604	19,143,604
Balance at 1 April 2019	19,143,604	19,143,604
Total comprehensive income for the year		
Surplus for the year	6,840,535	6,840,535
Total comprehensive income for the year	6,840,535	6,840,535
Balance at 31 March 2020	25,984,139	25,984,139

STATEMENT OF CASH FLOW

as at 31 March 2020

Figures in Rand	Notes	Consolidated		Council	
		2020	2019	2020	2019
Surplus/(Deficit) for the year		6,458,788	(4,655,605)	6,840,535	(4,374,229)
<i>Adjustments for:</i>					
Non-cash items		1,797,020	923,684	1,797,020	923,684
Separately disclosed items		(1,421,310)	(1,469,145)	(1,281,507)	(1,309,190)
Adjustment due to error in previous year		-	370	-	370
Net cash generated by /(utilised in) operations		6,834,498	(5,200,696)	7,356,048	(4,759,365)
<i>Working capital changes</i>					
Decrease in trade and other receivables		3,576,868	1,721,039	3,576,868	1,721,039
(Decrease)/increase in trade and other payables		(9,730,595)	5,775	(9,770,594)	5,776
Net cash generated by /(utilised in) operations	18	680,771	(3,473,882)	1,162,322	(3,032,550)
Finance income		1,434,398	1,490,674	1,294,595	1,330,719
Finance costs		(13,088)	(21,529)	(13,088)	(21,529)
Net cash generated by /(utilised in) operating activities		2,102,081	(2,004,737)	2,443,829	(1,723,360)
Cash flows used in investing activities					
Property, plant and equipment acquired	6	(1,881,023)	(197,293)	(1,881,023)	(197,293)
Intangible assets acquired	7	(894,893)	(23,210)	(894,893)	(23,210)
Proceeds on disposals of property, plant and equipment		2,955	-	2,955	-
(Decrease)/increase in financial assets		3,056,456	(443,486)	3,056,456	(443,486)
Net cash flows used in investing activities		283,495	(663,989)	283,495	(663,989)
Cash flows used in financing activities					
Finance lease repayment		(84,418)	(75,990)	(84,418)	(75,990)
Net cash flows used in financing activities		(84,418)	(75,990)	(84,418)	(75,990)
Net decrease in cash and cash equivalents		2,301,158	(2,744,716)	2,642,906	(2,463,339)
Cash and cash equivalents at beginning of the year		8,925,291	[^] 11,670,007	6,327,749	[^] 8,791,088
Cash and cash equivalents at end of the year	10	11,226,449	8,925,291	8,970,655	6,327,749

[^] - The short term investments amounting to R8,4 million (Consolidated) and R5.2 million (Council) were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.



ACCOUNTING POLICIES

1. General information

The consolidated and separate annual financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (IFRS) and the Architectural Profession Act, 2000 (Act no 44 of 2000).

2. Basis of preparation

The consolidated and separate annual financial statements of the Council have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to entities reporting under IFRS.

The consolidated and separate annual financial statements have been prepared under the historical cost convention.

The financial statements are presented in South African Rand, which is the entity's functional currency.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate annual financial statements are disclosed in note 4 below.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New Standards and Interpretations

Standards and interpretations effective and adopted in the current year

At the date of authorisation of these financial statements for the year ended 31 March 2020, the following IFRSs were adopted:

IFRS/IFRIC	Title and details	Effective	Expected Impact
IAS 19	IAS 19: Employee benefits (Plan Amendment, Curtailment or Settlement)	Effective date postponed 1 January 2019	No material impact
IFRS 9	IFRS 9: Financial Instruments (Prepayment features)	Annual periods commencing on or after 1 January 2018	No material impact
IFRS 16	Leases	Annual periods commencing on or after 1 January 2019	No material impact

IFRS 16 Leases

The Council has adopted IFRS 16 "Leases" from 1 January 2019, which has resulted in changes in the accounting policies and adjustments to the amounts recognised in the financial statements.

In accordance with the transitional provisions of IFRS 16, the Council has adopted the new guidance applying a modified retrospective approach with the cumulative effect of initially applying this standard as an adjustment to the opening balance of retained earnings in the period of initial application, i.e. 1 January 2019. Comparative prior year periods were not restated. Entities applying the modified retrospective approach may also elect to use certain practical expedients.

The new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. All leases result in the lessee recognising the right to use an asset at the commencement date of the lease, and if lease payments are made over time, also recognising financing. Accordingly, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as required by IAS 17 and, instead, introduces a single lessee accounting model. Lessees are required to recognise: (a) assets and liabilities for all leases with a lease term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of right-of-use assets separately from interest on lease liabilities in profit or loss. IFRS 16 substantially carries forward the lessor accounting requirements from IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. For subleases, intermediate lessors should classify subleases based on the right-of-use asset from the head lease, rather than the underlying lease asset as it was under IAS 17, thus there is increased likelihood that a sublease previously classified as operating lease will be classified as a finance lease under IFRS 16.

Standards and interpretations not yet effective.

The Council has not applied the following new, revised or amended pronouncements that have been issued by the IASB as they are unlikely to have material impact in the current accounting period (the list does not include information about new requirements that affect interim financial reporting or first-time adopters of IFRS since they are not relevant to the Council). The Council anticipates that the new standards, amendments and interpretations will be adopted in the Council's consolidated financial statements when they become effective. The Council has assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate annual financial statements are disclosed in note 4 below.

IFRS/IFRIC	Title and details	Effective	Expected Impact
IFRS Framework material impact	Amendments updating a reference to the Conceptual Framework	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact
Amendments to IAS 1	IAS 1 Classification of Liabilities as Current and Non-current	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Amendments regarding the costs to include when assessing whether a contract is onerous	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact

All applicable standards are complied with in the annual financial statements for the period ended 31 March 2020. Compliance with these amendments, revisions and improvements require additional disclosure compared to that required in terms of existing IFRS.

Management performed an assessment of the impact of all applicable standards that will apply for the period ended 31 March 2020.

3.1 Property, Plant and Equipment

Property, plant and equipment owned by the Council comprise building, motor vehicles, office equipment, computer equipment and furniture and fittings. Property, plant and equipment also including right-of-use assets of the Council and are measured at cost less accumulated depreciation and any accumulated impairment.

3.1.1 Owned assets

Property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other income' in the statement of comprehensive income. The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Depreciation is provided on the straight-line basis which will reduce the carrying amount of the property, plant and equipment to their residual values at the end of their useful lives. Items of property, plant and equipment are depreciated from the date that they are installed and available for use. Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

The major categories of property, plant and equipment have the following estimated useful life:

Items	Average useful life	Depreciation method
Buildings	50 years	Straight line
Motor vehicles	5 years	Straight line
Office equipment	5 years	Straight line
Computer equipment	3 years	Straight line
Furniture and fittings	10 years	Straight line

The consolidated financial statements incorporate the financial statements of the Council and its wholly-owned subsidiary. All intra group transactions, balances, income and expenses are eliminated.



3.1.2 Right of use assets

Right of use assets are tangible assets which the Council holds in terms of a lease agreement with the lessor which are expected to be used for a period of 3 years.

An item of right of use asset is recognised at the commencement of the lease agreement with the lessor, and the cost of the item can be measured reliably.

Right of use assets is initially measured at cost. Cost is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

Property, plant and equipment 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.

The depreciation period for the right-of-use asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. An exception is when it is reasonably certain that the lessee will exercise an option to purchase the asset, in which case the amortization period is through the end of the asset's useful life.

The useful lives of items of right of use assets has been assessed as follows:

Items	Average useful life	Depreciation method
Leased Assets	Over the term of the lease	Straight line

If a right-of-use asset is determined to be impaired, the impairment is immediately recorded, thereby reducing the carrying amount of the asset. Its subsequent measurement is calculated as the carrying amount immediately after the impairment transaction, minus any subsequent accumulated depreciation.

At the termination of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

3.2 Intangibles

An intangible asset is an identifiable, non-monetary asset without physical substance. Intangible assets are identifiable resources controlled by the Council from which the Council expects to derive economic benefits.

An intangible asset is identifiable if it either is separable, ie is capable of being separated or divided from the Council and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the Council intends to do so or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the Council or from other rights and obligations.

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Council and the cost of the asset can be measured reliably.

The Council assesses the probability of expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets that are acquired and have finite useful lives are initially recognised at cost with subsequent measurement at cost less any accumulated amortisation and any impairment losses.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

Intangible assets have the following estimated used full life:

Items	Average useful life	Depreciation method
Softwares	3 Years	Straight line

Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.3 Financial assets

3.3.1 Loans and receivables

Council applied the principles of IFRS 9. In terms of IFRS 9 the classification and measurement requirements are driven by cash flow characteristics and the council business model. Financial instruments are classified into one of three classes: amortised cost, fair value through profit or loss, and fair value through other comprehensive income.

The standard also incorporates a forward looking 'expected loss' impairment model. The standard contains requirements in the following areas:

(i) Classification and measurement

Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics.

(ii) Impairment of financial assets

IFRS 9 requires an expected credit loss model to be used in impairing financial assets. This model requires the Council to account for expected credit losses and changes thereto at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit loss event to have occurred before impairments are recognised.

In assessing collective impairment, the Council uses historical trends if the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

(iii) Derecognition

The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The Council has applied IFRS 9 principles in the current financial year. All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

There however is no significant difference between the application of IAS 39 and IFRS 9 to the financial instruments identified in the 2020 financial year for classification and measurement. Although the impact of impairment is immaterial, the expected credit loss simplified approach to trade receivables was applied. Trade receivables are mostly current and the impact of that default would be immaterial.

3.3.2 Accounts receivables

Accounts receivables are carried as financial assets at amortised cost. A credit loss account is used to recognise impairments on accounts receivables. For accounts receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date, except for the following receivables:

- Interest-free loans made to related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost less impairment losses for bad and doubtful debt, if any; and
- Short-term receivables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount less impairment losses for bad and doubtful debt, if any.

At each reporting date, the Council assesses whether there is any objective evidence that a receivable or Council of receivables is impaired. IFRS 9 requires an expected credit loss model to be used in impairing financial assets. This model requires the Council to account for expected credit losses and changes thereto at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit loss event to have occurred before impairments are recognised.

3.3.3 Cash and cash equivalents

Cash comprises cash on hand and at bank and demand deposits with the bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, bank overdrafts do not form an integral part of the Council's cash management as a result they are not included as a component of cash and cash equivalents.



3.4 Financial liabilities

3.4.1 Accounts payables

Accounts payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

3.4.2 Lease liabilities

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration. At inception of a contract, it is assessed to determine whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the terms and conditions of a contract have changed, it is reassessed to once again determine if the contract is still or now contains a lease.

The lease term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

At inception, a right-of-use asset and a lease liability is recognised. Right-of-use of assets are included in the statement of financial performance within a classification relevant to the underlying asset, and not as a separate line item. Right-of-use assets are initially measured at cost, comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred; and
- An estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The obligation for those costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Subsequently, right-of-use of assets are measured using the cost model.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date. Lease payments are discounted using the relevant Council's incremental borrowing rate.

Subsequently, the lease liability is measured by:

- Increasing the carrying amount to reflect interest on the lease liability;
- Reducing the carrying amount to reflect the lease payments made; and
- Re measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments.

3.5 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Council provides post-employment benefits through a defined contribution plan.

Short-term employee benefits

The Council pays fixed contributions into independent entities in relation to individual employees. The Council has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

3.6 Revenue Recognition

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces IAS 18 Revenue.

IFRS 15 Revenue from Contracts with Customers (applicable from 1 March 2018)

Revenue comprises net invoiced sales to customers excluding VAT and other non-operating income.

The Council's revenue with customers comprises primarily of the following types of revenue collected from individuals:

Annual and Administration Fees

Revenue from subscriptions, members' entrance fees and professional development is recognised when services are rendered.

Exam Fee

Revenue is recognised when Council's right to receive the payments is established, which is generally the time a person is eligible to stand for an exam and has paid the fee. Revenue comprises net invoiced sales to customers excluding VAT and other non-operating income.

Registration and Re-registrations

Revenue is recognised when the registration or re-registration takes effect.

Renewals

Revenue is recognised when renewals takes effect.

Continuing Professional Development (CPD)

Revenue is recognised when the registration for a CPD takes effect.

Upgrades

Revenue is recognised when the upgrade application has been approved.

Recognition of Prior Learning (RPL)

Revenue is recognised when the applications is received by online registration.

IFRS 15 established a comprehensive framework for determining and reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard outlines the principles that must be applied to measure and recognise revenue with the core principle being that revenue should be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchanged for fulfilling its performance obligations to a customer.

The principles in IFRS 15 must be applied using the following five-step model:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

The Council has adopted IFRS 15 using the cumulative effect method with the effect of initially applying this standard recognised at the date of initial application (being 1 January 2018). Accordingly, the information presented for the prior period has not been restated. Additionally, the disclosure requirements in IFRS 15 have been generally been applied to comparative information. Apart from providing more qualitative disclosures on the Council's revenue transactions, the application of IFRS 15 has not had a significant impact on the Council. As at the date of initial application, no adjustments were required to the Council's Statement of Profit or Loss and Other Comprehensive Income or Statement of Financial Position.

The Council recognises revenue from customers at a point in time by recognising the cash value of income received on a monthly basis. No element of financing is deemed to be present and no adjustment for time value of money are made to the transaction price.

3.7 Finance income

Interest income is recognised using the effective interest method.

3.8 Other income

Other income comprises mainly professional misconduct fines and recoveries.



4. Critical accounting judgements and key sources of estimation uncertainty

The Council's management makes assumptions, estimates and judgements in the process of applying the Council's accounting policies that affect the assets, liabilities, income and expenses in the consolidated annual financial statements prepared in accordance with IFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

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

4.1 Useful lives of property, plant and equipment

As described above, the Council reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the Council determined that the useful lives of certain items of equipment should be extended due to the current assets still being in use.

5. Consolidation

The Education Fund is established in accordance with section 15 (5) of the Architectural Profession Act of 2000 and is administered by the Council. All financial results are consolidated with similar items on a line-by-line basis.

NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

6. Property, plant and equipment

CONSOLIDATED

Figures in Rand	2020			2019		
	Cost	Accumulated depreciation	2020 Carrying value	Cost	Accumulated depreciation	2019 Carrying value
<i>Owned assets</i>						
Buildings	15,982,309	(1,169,111)	14,813,198	15,982,309	(796,396)	15,185,913
Motor vehicles	573,005	(573,005)	-	537,005	(438,554)	98,451
Furniture and fittings	976,362	(596,501)	379,861	1,069,308	(628,134)	441,174
Office equipment	219,591	(158,211)	61,380	191,497	(128,876)	62,621
IT equipment	2,913,215	(1,729,597)	1,183,618	1,188,295	(1,064,465)	123,830
	20,664,482	(4,226,425)	16,438,057	18,968,414	(3,056,425)	15,911,989
<i>Right of use assets</i>						
IT Equipment	377,483	(314,569)	62,914	377,483	(242,628)	134,855
	377,483	(314,569)	62,914	377,483	(242,628)	134,855
Total property, plant and equipment	21,041,965	(4,540,994)	16,500,971	19,345,897	(3,299,053)	16,046,844

The carrying amounts of property, plant and equipment can be reconciled as follows:

2020 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Depreciation on disposal	Disposal	Depreciation	2020 Carrying value at end of year
<i>Owned assets</i>						
Land and buildings	15,185,913	-	-	-	(372,715)	14,813,198
Motor vehicles	98,451	-	-	-	(98,451)	-
Furniture and fittings	441,174	25,117	106,677	(118,062)	(75,045)	379,861
Office equipment	62,621	21,194	1,754	(1,754)	(22,435)	61,380
IT equipment	123,830	1,834,712	109,607	(109,792)	(774,739)	1,183,618
	15,911,989	1,881,023	218,038	(229,608)	(1,343,385)	16,438,057
<i>Right of use assets</i>						
IT Equipment	134,855	-	-	-	(71,941)	62,914
	134,855	-	-	-	(71,941)	62,914
Total property, plant and equipment	16,046,844	1,881,023	218,038	(229,608)	(1,415,326)	16,500,971



NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

6. Property, plant and equipment continued

2019 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Depreciation on disposal	Disposal	Depreciation	2019 Carrying value at end of year
<i>Owned assets</i>						
Buildings	15,434,524	70,429	-	-	(319,040)	15,185,913
Motor vehicles	205,853	-	-	-	(107,402)	98,451
Furniture and fittings	457,122	72,388	-	-	(88,336)	441,174
Office equipment	77,688	11,335	1,450	(1,742)	(26,110)	62,621
IT equipment	306,278	43,141	-	-	(225,589)	123,830
	16,481,465	197,293	1,450	(1,742)	(766,477)	15,911,989
<i>Right of use asset</i>						
IT Equipment	210,351	-	-	-	(75,496)	134,855
	210,351	-	-	-	(75,496)	134,855
Total property, plant and equipment	16,691,816	197,293	1,450	(1,742)	(841,973)	16,046,844

NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

6. Property, plant and equipment *continued*

COUNCIL

Figures in Rand	2020			2019		
	Cost	Accumulated depreciation	2020 Carrying value	Cost	Accumulated depreciation	2019 Carrying value
<i>Owned assets</i>						
Buildings	15,982,309	(1,169,111)	14,813,198	15,982,309	(796,396)	15,185,913
Motor vehicles	573,005	(573,005)	-	537,005	(438,554)	98,451
Furniture and fittings	976,362	(596,501)	379,861	1,069,308	(628,134)	441,174
Office equipment	219,591	(158,211)	61,380	191,497	(128,876)	62,621
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	20,664,482	(4,226,425)	16,438,057	18,968,414	(3,056,425)	15,911,989
<i>Right of use assets</i>						
IT Equipment	377,483	(314,569)	62,914	377,483	(242,628)	134,855
	377,483	(314,569)	62,914	377,483	(242,628)	134,855
Total property, plant and equipment	21,041,965	(4,540,994)	16,500,971	19,345,897	(3,299,053)	16,046,844

The carrying amounts of property, plant and equipment can be reconciled as follows:

2020 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Depreciation on disposal	Disposal	Depreciation	2020 Carrying value at end of year
<i>Owned assets</i>						
Land and buildings	15,185,913	-	-	-	(372,715)	14,813,198
Motor vehicles	98,451	-	-	-	(98,451)	-
Furniture and fittings	441,174	25,117	106,677	(118,062)	(75,045)	379,861
Office equipment	62,621	21,194	1,754	(1,754)	(22,435)	61,380
IT equipment	123,830	1,834,712	109,607	(109,792)	(774,739)	1,183,618
	15,911,989	1,881,023	218,038	(229,608)	(1,343,385)	16,438,057
<i>Right of use assets</i>						
IT Equipment	134,855	-	-	-	(71,941)	62,914
	134,855	-	-	-	(71,941)	62,914
Total property, plant and equipment	16,046,844	1,881,023	218,038	(229,608)	(1,415,326)	16,500,971



NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

6. Property, plant and equipment continued

2019 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Depreciation on disposal	Disposal	Depreciation	2019 Carrying value at end of year
<i>Owned assets</i>						
Buildings	15,434,524	70,429	-	-	(319,040)	15,185,913
Motor vehicles	205,853	-	-	-	(107,402)	98,451
Furniture and fittings	457,122	72,388	-	-	(88,336)	441,174
Office equipment	77,688	11,335	1,450	(1,742)	(26,110)	62,621
IT equipment	306,278	43,141	-	-	(225,589)	123,830
	16,481,465	197,293	1,450	(1,742)	(766,477)	15,911,989
<i>Right of use asset</i>						
IT Equipment	210,351	-	-	-	(75,496)	134,855
	210,351	-	-	-	(75,496)	134,855
Total property, plant and equipment	16,691,816	197,293	1,450	(1,742)	(841,973)	16,046,844

NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

7. Intangibles assets

CONSOLIDATED

Figures in Rand	2020			2019		
	Cost	Accumulated Amortisation	2020 Carrying value	Cost	Accumulated Amortisation	2019 Carrying value
Intangible Assets (software)	1,586,284	(999,481)	586,803	691,390	(626,401)	64,989
Total intangible assets	1,586,284	(999,481)	586,803	691,390	(626,401)	64,989

The carrying amounts of intangible assets can be reconciled as follows:

2020 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Amortisation disposal	Disposal	Amortisation	2020 Carrying value
Intangible Assets (software)	64,989	894,893	-	-	(373,079)	586,803
Total intangible assets	64,989	894,893	-	-	(373,079)	586,803

The carrying amounts of intangible assets can be reconciled as follows:

2019 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Amortisation disposal	Disposal	Amortisation	2019 Carrying value
Intangible Assets (software)	123,200	23,210	-	-	(81,421)	64,989
Total intangible assets	123,200	23,210	-	-	(81,421)	64,989



NOTE TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

7. Intangibles assets continued

COUNCIL

Figures in Rand	2020			2019		
	Cost	Accumulated Amortisation	2020 Carrying value	Cost	Accumulated Amortisation	2019 Carrying value
Intangible Assets (software)	1,586,284	(999,481)	586,803	691,390	(626,401)	64,989
Total intangible assets	1,586,284	(999,481)	586,803	691,390	(626,401)	64,989

The carrying amounts of intangible assets can be reconciled as follows:

2020 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Amortisation disposal	Disposal	Amortisation	2019 Carrying value
Intangible Assets (software)	64,989	894,893	-	-	(373,079)	586,803
Total intangible assets	64,989	894,893	-	-	(373,079)	586,803

The carrying amounts of intangible assets can be reconciled as follows:

2019 Reconciliation						
Figures in Rand	Carrying value at beginning of year	Additions	Amortisation disposal	Disposal	Amortisation	2019 Carrying value
Intangible Assets (software)	123,200	23,210	-	-	(81,421)	64,989
Total intangible assets	123,200	23,210	-	-	(81,421)	64,989

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

8. Financial assets

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
First National Bank	3,035,080	2,808,303	3,035,080	2,808,303
Investec	-	3,283,233	-	3,283,233
Other Financial Assets	3,035,080	^ 6,091,536	3,035,080	^ 6,091,536

Financial assets comprises of investments in different banking institutions with maturity of 12 months not included in cash and cash equivalent.

[^] - The short term investments amounting to R8,4 million (Consolidated) and R5.2 million (Council) were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.

9. Trade and other receivables

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Net trade receivables	416,689	3,287,968	416,689	3,287,968
Trade receivables	1,342,887	[^] 8,419,280	1,342,887	[^] 8,419,280
Allowance for credit losses	(926,198)	[^] (5,131,312)	(926,198)	[^] (5,131,312)
Value Added Tax	403,896	1,104,263	403,896	1,104,263
Staff advances	4,802	10,024	4,802	10,024
	825,387	4,402,255	825,387	4,402,255

[^] - Reduction of trade and other receivables is due to write-off of long outstanding invoices, off-set by reversal of allowances of credit losses recorded in the previous financial year.

Movements in expected credit losses of trade and other receivables are as follows:

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
At start of the year	5,131,312	5,915,783	5,131,312	5,915,783
Increase in loss allowance	926,198	(784,471)	926,198	(784,471)
Amounts written off	(5,131,312)	-	(5,131,312)	-
At end of the year	926,198	5,131,312	926,198	5,131,312

Expected credit loss provision matrix:

31 March 2020	<30 Days	31-60 Days	61-90 days	91-120 days	>120 Days	Total
Weighted average expected credit loss rate	29%	29%	32%	32%	89%	
Estimated gross carrying amount	177,498	112,193	192,147	21,029	868,732	1,371,599
Lifetime ECL	51,474	32,536	61,487	6,729	773,972	926,198



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

10. Cash and cash equivalents

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Cash balances				
Banks	11,226,449	[^] 8,925,291	8,970,655	[^] 6,327,749
	11,226,449	8,925,291	8,970,655	6,327,749

[^] - The short term investments amounting to R8,4 million (Consolidated) and R5.2 million (Council) were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.

11. Finance lease liabilities

SACAP entered into an agreement with Canon Business Centre for two copiers (Canon 5051i). The rental agreement for a period of 60 months beginning in February 2016 to February 2021 and the total monthly instalments, payable in advance, are R 8,113.58 with a 0% escalation per annum.

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Future minimum lease payment fall due as follows				
- no later than one year	81,065	101,135	81,065	101,135
- later than one year but no later than five years	-	77,417	-	77,417
Future finance cost	(3,701)	(16,770)	(3,702)	(16,770)
Lease liability	77,364	161,782	77,363	161,782
Analysed as follows:				
Current portion	77,364	84,365	77,364	84,365
- later than five years	-	77,417	-	77,417
	77,364	161,782	77,364	161,782

The lease liability is secured over capitalised leased items of property, plant and equipment disclosed in (Note 6).

12. Trade and other payables

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Trade and other payables	1,000,682	2,748,154	520,683	2,308,154
Unallocated receipts	2,660,316	[^] 10,212,314	2,660,316	[^] 10,212,315
Othe-salary deferrals	101,745	67,583	101,745	67,583
Provision for performance bonus	-	292,258	-	92,258
Accrual for leave pay	572,367	744,416	572,367	744,416
Credit Card	2,282	3,262	2,282	3,262
	4,337,392	14,067,987	3,857,393	13,627,988

[^] - Unallocated receipts amounting to R2 million was reclassified from trade and other receivables to trade and other payables.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

13. Revenue

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Annual Fees	26,894,542	26,532,428	26,894,542	26,532,428
Administration Fees	1,712,008	829,753	1,712,008	829,753
Registration and Re-registrations	2,918,542	2,462,340	2,918,542	2,462,340
Renewals	635,253	637,718	635,253	637,718
Exams and CPD	1,365,667	1,039,936	1,365,667	1,039,936
Upgrades	701,625	-	701,625	-
RPL	116,099	-	116,099	-
	34,343,736	31,502,175	34,343,736	31,502,175

Registration is cancelled when the Registered Professionals do not pay their fees within 60 days. The fees are then recognised in the year in which they are received.

14. Other income

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Sundry Income	15,132	6,765	15,132	6,765
Other Income (Recoveries)	209,904	472,340	209,904	472,340
Professional Misconduct Fines	1,171,000	1,644,000	1,171,000	1,644,000
	1,396,036	2,123,105	1,396,036	2,123,105



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

15. Operating surplus/(deficit)

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Operating surplus/(deficit) is arrived at after taking into account the following items:				
Expenditure				
Net loss on sale of property, plant and equipment	(8,615)	(290)	(8,615)	(290)
Depreciation and amortisation				
<i>Owned assets</i>				
Land and buildings	(372,715)	(319,040)	(372,715)	(319,040)
Motor vehicles	(98,451)	(107,402)	(98,451)	(107,401)
Furniture and fittings	(75,045)	(88,336)	(75,045)	(88,336)
Office equipment	(22,435)	(26,112)	(22,435)	(26,112)
IT equipment	(774,739)	(225,589)	(774,739)	(225,589)
	(1,343,385)	(766,479)	(1,343,385)	(766,478)
<i>Right of use assets</i>				
IT Equipment	(71,941)	(75,497)	(71,941)	(75,497)
	(71,941)	(75,497)	(71,941)	(75,497)
<i>Intangible assets</i>				
Amortisation	(373,079)	(81,421)	(373,079)	(81,421)
	(373,079)	(81,421)	(373,079)	(81,421)
Auditors' remuneration				
Audit fees				
-External	(195,500)	(323,157)	(195,500)	(323,157)
-Internal	(274,437)	(1,189,010)	(274,437)	(1,189,010)
	(469,937)	(1,512,167)	(469,937)	(1,512,167)

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

16. Finance income

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Finance income	1,434,398	1,490,674	1,294,595	1,330,719
	1,434,398	1,490,674	1,294,595	1,330,719

17. Finance costs

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Finance costs	13,088	21,529	13,088	21,529
	13,088	21,529	13,088	21,529

18. Cash generated by/(utilised in) operations

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Deficit/surplus for the year	6,458,788	(4,655,605)	6,840,535	(4,374,229)
Adjustments for:				
Finance costs	13,088	21,529	13,088	21,529
Depreciation and amortisation of assets	1,788,405	923,394	1,788,405	923,394
Investment income	(1,434,398)	(1,490,674)	(1,294,595)	(1,330,719)
Profit/loss on disposal of property, plant and equipment	8,615	290	8,615	290
Adjustment due to error in prior year profit	-	370	-	370
Net cash generated by/(utilised in) operations	6,834,498	(5,200,696)	7,356,048	(4,759,365)
<i>Working capital changes</i>				
Decrease /(increase) in trade and other receivables	3,576,868	1,721,039	3,576,868	1,721,039
Increase/(decrease) in trade and other payables	(9,730,595)	5,775	(9,770,593)	5,776
Cash generated by/(utilised in) operating activities	680,771	(3,473,882)	1,162,323	(3,032,550)

19. Taxation

The South African Council for the Architectural Profession's receipts and accruals are exempt from Income tax in terms of the provision of section 10(1)(cA)(i) of the Income Tax Act, 1962(No.58 of 1962)



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

20. Related party transactions

RELATIONSHIP

Members of key management	Adv Toto Fiduli - Registrar Mr Maduwele Segobola CA(SA) - Senior Manager : Finance Ms Marella O'Reilly - (Former) Registrar Ms Barbara Van Stade - (Former) Chief Operating Officer Mr Tshepo Tefo- (Former) Senior Manager : Finance
Non - Executive - Council Members	Mr Nduku - (Appointed as President on 17 April 2019) Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019) Ms K Naidoo (Appointed 17 April 2019) Ms N Daki (Appointed 17 April 2019) Ms L Ngodwane (Appointed 17 April 2019) Dr S Dlamini (Appointed 17 April 2019) Mr V Phailane (Appointed 17 April 2019) Mr K Bingham (Appointed 17 April 2019) Mr MA Mohidien (Appointed 17 April 2019) Mr RG Nicholls (Appointed 17 April 2019) Mr L Nematswerani (Appointed 17 April 2019) Mr K Manyathela - (Former) (Appointed 01 December 2017 until 3 May 2019) Mr R Lekota - (Former) (Appointed 15 April 2014 until 3 May 2019) Mr K Ranchod - (Former) (Appointed 08 September 2014 until 3 May 2019) Mr R Ruiters - (Former) (Appointed 15 April 2014 until 28 August 2018) Mr P Jolobe - (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)
Non - Executive - Audit and Risk Committee (ARC) members	Ms N Oliphant (Appointed May 2019) Mr L Nematswerani (Appointed May 2019) Mr RG Nicholls (Appointed May 2019) Mr T Poho (Appointed May 2019) Mrs Z Tshabalala (Appointed August 2019) Mr P Serote (Appointed June 2014 until 30 April 2019) Adv F Mukaddam - (Former) (Appointed September 2014 until August 2019) Mr C Motau - (Former) (Appointed September 2014 until April 2019) Mr K Manyathela - (Former) (Appointed March 2018 until April 2019) Mr R Ruiters - (Appointed October 2017 until August 2018) Mr K Ranchord - Appointed October 2017 until April 2019)
Executive authority	Department of Public Works
Governing body	Refer to the Registrar's report for the Council member names
Relationship governed by law	Council for the Building Environment

RELATED PARTY BALANCES

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Related party transactions Included in operation expenses Council for the Building Environment - levies	406,161	406,455	406,161	46,455

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

20. Related party transactions continued

KEY MANAGEMENT

Figures in Rand		2020	2019	
Name: Adv Toto Fiduli	Relationship: Registrar	Transactions		
		Salary	1,438,632	1,285,396
		Bonus	-	80,000
			1,438,632	1,365,396
Name: Mr Maduwele Segobola CA(SA)	Relationship: Senior Finance Manager	Transactions		
		Salary	900,000	-
			900,000	-
Name: Ms Marella O'Relly	Relationship: Former Registrar	Transactions		
		Salary		2,988,076
		Travel		110,000
			-	3,098,076
Name: Ms Barbara Van Stade	Relationship: Former COO	Transactions		
		Salary	-	290,570
		Bonus	-	18,000
		Travel	-	-
			-	308,570
Name: Mr Tsepo Tefo	Relationship: Former Senior Finance Manager	Transactions		
		Salary	-	1,655,406
		Bonus	-	-
		Travel	-	240,000
			-	1,895,406



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

20. Related party transactions continued

NON-EXECUTIVE MEMBERS

Figures in Rand	COUNCIL		ARC		TOTAL	
	2020	2019	2020	2019	2020	2019
	Honorarium		Honorarium		Honorarium	
Mr NC Nduku: President	273,200	46,697			273,200	46,697
Ms LR Shongwe née Lerotholi: Vice-President	184,953	298,203			184,953	298,203
Ms K Naidoo	163,296				163,296	-
Ms N Daki	124,902				124,902	-
Ms L Ngodwane	157,470				157,470	-
Dr S Dlamini	116,640				116,640	-
Mr V Phailane	176,904	138,974			176,904	138,974
Mr K Bingham	111,169				111,169	-
Mr MA Mohidien	116,640				116,640	-
Mr RG Nicholls	50,007		14,478		64,485	-
Mr L Nematswerani	123,879		50,673		174,552	-
Mr K Manyathela - (Former) (Appointed 01 December 2017 until 3 May 2019)	3,888	50,724		41,365	3,888	92,089
Mr R Lekota - (Former) (Appointed 15 April 2014 until 3 May 2019)	7,776	89,763			7,776	89,763
Mr K Ranchod - (Former) (Appointed 08 September 2014 until 3 May 2019)	7,776	93,693		41,365	7,776	135,058
Mr R Ruiters - (Former) (Appointed 15 April 2014 until and resigned 28 August 2018)		34,572		41,365	-	75,937
Mr P Jolobe - (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)		84,918			-	84,918
Ms N Oliphant			69,496		69,496	-
Mr T Poho			50,673		50,673	-
Mrs Z Tshabalala			14,478		14,478	-
Mr P Serote			8,687	41,365	8,687	41,365
Adv F Mukaddam - (Former) (Appointed September 2014 until August 2018)				41,365	-	41,365
Mr C Motau - (Former) (Appointed September 2014 until April 2019)				41,365	-	4,365
	1,618,500	837,544	208,485	248,190	1,826,985	1,085,734

COUNCIL MEMBERS THAT ARE ARCHITECTS

Figures in Rand	Names	Category	2020	2019
			Fees	Fees
	Mr V Phailane	Pr Arch	3,174	2,994
	Ms LR Shongwe née Lerotholi	Pr Arch	3,174	2,994
	Mr NC Ndhuku	Pr Arch	3,174	2,994
	Ms N Daki	PAT	3,174	
	Ms K Naidoo	Pr Arch	3,174	
	Ms L Ngodwane	Pr Arch	3,174	
	Dr S Dlamini	PSAT	3,174	
	Mr K Bingham	Pr Arch	3,174	
	Mr MA Mohidien	PAD	3,174	
			28,566	8,982

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

21. Financial instruments

21.1 FINANCIAL ASSETS BY CATEGORY

Consolidated		
Figures in Rand		
31 March 2020	Loans and Receivables	Total
Non-current financial assets		
Financial assets (refer note 8)	3,035,080	3,035,080
		-
Current financial assets		
Trade and other receivables (refer note 9)	825,387	825,387
Cash and cash equivalents (refer note 10)	11,226,448	11,226,448
31 March 2019	Loans and Receivables	Total
Non-current financial assets		
Financial assets (refer note 8)	6,091,536	6,091,536
Current financial assets		
Trade and other receivables (refer note 9)	4,402,255	4,402,255
Cash and cash equivalents (refer note 10)	8,925,291	8,925,291
Council		
Figures in Rand		
31 March 2020	Loans and Receivables	Total
Non-current financial assets		
Financial assets (refer note 8)	3,035,080	3,035,080
Current financial assets		
Trade and other receivables (refer note 9)	825,387	825,387
Cash and cash equivalents (refer note 10)	8,970,655	8,970,655
31 March 2019	Loans and Receivables	Total
Non-current financial assets		
Financial assets (refer note 8)	6,091,536	6,091,536
Current financial assets		
Trade and other receivables (refer note 9)	4,402,255	4,402,255
Cash and cash equivalents (refer note 10)	6,327,749	6,327,749



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

21. Financial instruments continued

21.2 FINANCIAL LIABILITIES BY CATEGORY

Consolidated		
Figures in Rand		
31 March 2020	Financial Liabilities at Amortised Costs	Total
Current financial liabilities		
Finance lease liabilities (refer note 11)	77,364	77,364
Trade and other payables (refer note 12)	4,337,392	4,337,392
31 March 2019	Amortised cost	Total
Non-current financial liabilities		
Finance lease liabilities (refer note 11)	77,417	77,417
Current financial liabilities		
Trade and other payables (refer note 12)	14,067,987	14,067,987
Current portion of finance lease liabilities (refer note 11)	84,365	84,365
Council		
Figures in Rand		
31 March 2020	Amortised cost	Total
Non-current financial liabilities		
Finance lease liabilities (refer note 11)	77,364	77,364
Current financial liabilities		
Trade and other payables (refer note 12)	3,857,393	3,857,393
31 March 2019	Amortised cost	Total
Non-current financial liabilities		
Finance lease liabilities (refer note 11)	77,417	77,417
Current financial liabilities		
Trade and other payables (refer note 12)	13,627,988	13,627,988
Current portion of finance lease liabilities (refer note 11)	84,365	84,365

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

22. Risk Management

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Council. Credit risk consists mainly of cash deposits, investments and trade and other receivables. The Council only deposits cash with major banks with high quality credit standing and limit exposure to any one counter-party.

Receivables comprise of fees owed by registered persons in terms of the Architectural Profession Act, No. 44 of 2000. Receivables comprises of a wide spread registered person's base. Receivables are monitored for impairment on an ongoing basis. Non-payment by registered persons results in de-registration, in which event outstanding fees are provided for as credit losses.

The carrying amount of cash deposits, investments and trade and other receivables recognised in the financial statements, which is net of impairment losses, represents the Council's maximum exposure to credit risk.

To measure the expected credit losses, receivables have been assessed based on the invoice due date.

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Financial assets (refer note 8)	3,035,080	6,091,536	3,035,080	6,091,536
Trade and other receivable (refer note 9)	825,387	4,402,255	825,387	4,402,255
Banks (refer note 10)	11,226,449	8,925,291	8,970,655	6,327,749

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of cash available to perform its duties.

The Council's risk to liquidity is a result of the funds available to cover future commitments. The Council manages liquidity risk through ongoing review of the future commitment and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The tables below analyses the Council's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity date. The amounts disclosed the table are contractual undiscounted cash flows.

Summary quantitative data - Consolidated

Figures in Rand	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
31 March 2020				
Trade and other payables (refer note 12)	4,337,392	-	-	4,337,392
Finance lease liabilities (refer note 11)	77,364	-	-	77,364
31 March 2019				
Trade and other payables (refer note 12)	14,067,987	-	-	14,067,987
Finance lease liabilities (refer note 11)	84,365	77,417	-	161,782



NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

22. Risk Management continued

Summary quantitative data - Council

Figures in Rand	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
31 March 2020				
Trade and other payables (refer note 12)	13,627,987	-	-	13,627,987
Finance lease liabilities (refer note 11)	77,364	-	-	77,364
31 March 2019				
Trade and other payables (refer note 12)	3,857,39	-	-	3,857,39
Finance lease liabilities (refer note 11)	84,365	77,417	-	161,782

INTEREST RATE RISK

The Council has significant interest-bearing assets that causes its income and operating cash flows to be substantially dependent on the changes in the market interest rates.

In order to manage the cash flow interest rate risk, the Council will repay the corresponding borrowings when it has surplus funds.

CAPITAL RISK MANAGEMENT

The objective of the Council when managing capital is to safeguard its ability to continue as a going concern.

The capital structure of the Council consists of cash and cash equivalents disclosed in the note 10 and accumulated funds as disclosed in the statement of financial position.

FINANCIAL RISK MANAGEMENT

The council's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance. The council approved and monitor risk management policies.

DETAILED INCOME STATEMENTS

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Gross Revenue				
Annual Fees	27,089,916	24,430,053	27,089,916	24,430,053
Administration Fees	900,656	708,370	900,656	708,370
Exam Fees	1,317,603	931,199	1,317,603	931,199
Extensions and Exemptions	1,365,667	2,150,905	1,365,667	2,150,905
Registration and re-registration Fees	2,918,542	2,643,930	2,918,542	2,643,930
Renewals	635,253	637,718	635,253	637,718
RPL	116,099	-	116,099	-
	34,343,736	31,502,175	34,343,736	31,502,175
Other Income				
Finance income	1,434,398	1,490,674	1,294,595	1,330,719
Other Income	1,396,036	2,123,105	1,396,036	2,123,105
	2,830,434	3,613,779	2,690,631	3,453,824
	37,174,170	35,115,954	37,034,367	34,955,999

*Revenue accounts was re-grouped

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Expenditure				
Advertising	770,671	195,856	770,671	195,856
Amortisation - Intangible assets	373,079	81,421	373,079	81,421
Annual Report	128,010	201,679	128,010	201,679
Auditors Remuneration	195,500	323,157	195,500	323,157
Bank charges	94,949	99,784	93,398	98,453
Body Corporate Rates	653,880	805,995	653,880	805,995
CBE Levies	406,161	406,455	406,161	406,455
Computer expenses	289,553	236,631	289,553	236,631
Consulting fees	440,512	1,010,010	440,512	1,010,010
Corporate Identity	39,972	532,017	39,972	532,017
Database & Document Management	53,062	47,913	53,062	47,913
Depreciation - Tangible assets	1,415,326	841,973	1,415,326	841,973
Electricity and water	609,524	307,437	609,524	307,437
Employee benefits	2,809,601	3,000,782	2,809,601	3,000,782
Entertainment	127,515	82,401	127,515	82,401
Expected credit loss	(1,701,659)	3,788,147	(1,701,659)	3,788,147
Finance costs	13,088	21,529	13,088	21,529
Fines and penalties	1,242	380,411	1,242	380,411
General expenses	683,101	38,558	683,101	38,558
Grants	520,000	440,000	-	-
Honorarium	2,532,085	1,719,686	2,532,085	1,719,686

The supplementary information presented does not form part of the annual financial statements and is unaudited



DETAILED INCOME STATEMENTS continued

Figures in Rand	Consolidated		Council	
	2020	2019	2020	2019
Insurance	181,920	137,576	181,920	137,576
Internal Audit Fees	274,437	1,189,010	274,437	1,189,010
Lease rental on operating lease	363,092	334,438	363,092	334,438
Legal Fees	836,058	2,624,470	836,058	2,624,470
Loss on sale of fixed assets	8,615	290	8,615	290
Motor vehicle expense	46,296	29,463	46,296	29,463
Outreach , Roadshow & Exhibitions	116,370	206,415	116,370	206,415
Postage	64,446	126,060	64,446	126,060
Printing and stationery	186,489	169,380	186,489	169,380
Recruitment	370,108	17,040	370,108	17,040
Repairs and maintenance	15,852	9,465	15,852	9,465
Salaries	13,960,436	16,012,307	13,960,436	16,012,307
Subscriptions	69,173	38,727	69,173	38,727
Telephone and fax	430,822	340,716	430,822	340,716
Training	179,803	8,850	179,803	8,850
Travel - local	1,534,613	1,617,197	1,534,613	1,617,197
Travel - overseas	-	101,895	-	101,895
Tribunals	1,085,014	1,898,794	1,085,014	1,898,794
Validation CAA reps	277,138	101,867	277,138	101,867
Website maintenance	259,529	245,757	259,529	245,757
	30,715,383	39,771,559	30,193,832	39,330,228
Surplus/(Deficit) for the year	6,458,788	(4,655,605)	6,840,535	(4,374,229)

The supplementary information presented does not form part of the annual financial statements and is unaudited

ANNUAL FINANCIAL STATEMENTS OF SACAP EDUCATIONAL FUND

(Established under the Architectural Profession Act no 44 of 2000)

Separate Annual Financial Statements for the year ended 31 March 2020

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

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The supplementary information presented does not form part of the Annual financial statements and is unaudited:

Detailed Income Statement	114
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GENERAL INFORMATION

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	An educational fund for the purpose of education, training , and continuing education and training of registered persons and students in the architectural profession as contemplated by section 1 (5) of the Architectural Profession Act of 2000.
Registered Office	51 Wessel Road Right Wing Rivonia 2128
Business Address	51 Wessel Road Right Wing Rivonia 2128
Council	<p>During the year end up to the date of this report the Council was constituted as follows:</p> <p>Mr NC Nduku - (Appointed as President on 17 April 2019)</p> <p>Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019)</p> <p>Ms K Naidoo (Appointed 17 April 2019)</p> <p>Ms N Daki (Appointed 17 April 2019)</p> <p>Ms L Ngodwane (Appointed 17 April 2019)</p> <p>Dr S Dlamini (Appointed 17 April 2019)</p> <p>Mr V Phailane (Appointed 17 April 2019)</p> <p>Mr K Bingham (Appointed 17 April 2019)</p> <p>Mr MA Mohidien (Appointed 17 April 2019)</p> <p>Mr RG Nicholls (Appointed 17 April 2019)</p> <p>Mr L Nematswerani (Appointed 17 April 2019)</p> <p>Mr K Manyathela (Appointed 01 December 2017 until 3 May 2019)</p> <p>Mr R Lekota (Appointed 15 April 2014 until 3 May 2019)</p> <p>Mr K Ranchod (Appointed 08 September 2014 until 3 May 2019)</p> <p>Mr P Jolobe (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)</p>
Bankers	First National Bank Nedbank Investec Bank
Auditor	PricewaterhouseCoopers Inc. Registered Auditors
Level of Assurance	These annaul financial statements have been audited in compliance with the applicable requirements of the Architectural Profession Act,no 44 of 2000
Preparer	The annual financial statement were compiled by Maphuti Mothapo CA(SA): Finance Manager
Published	22 September 2020

INDEPENDENT AUDITOR'S REPORT

To the Council Members of the South African Council of the Architectural Profession Educational Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Council of the Architectural Profession Educational Fund (the Council) as at 31 March 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

South African Council of the Architectural Profession Educational Fund's financial statements set out on pages 107 to 114 comprise:

- the statement of financial position as at 31 March 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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)*.

Other information

The Council Members are responsible for the other information. The other information comprises the information included in the document titled "Registrar's Report." The other information does not include the consolidated or the separate 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.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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. We have nothing to report in this regard.

Responsibilities of the Council Members for the financial statements

The Council Members are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting and for such internal control as the Council Members determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council Members are responsible for assessing the Group'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 Council Members either intend to liquidate the Group and/or the Council 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 Group's and the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council Members.
- Conclude on the appropriateness of the Council Members' 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 Group's and the Council'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 Group and / or Council 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Council Members 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.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Raj Dhanlall
Registered Auditor

Waterfall City, Johannesburg, South Africa
6 October 2020

COUNCIL MEMBERS RESPONSIBILITIES AND APPROVAL

The Council members are required by the Architectural Profession Act No 44 of 2000 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements satisfy the financial reporting standards as to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the Council, and explain the transactions and financial position of the business of the Council at the end of the financial year. The consolidated annual financial statements are based upon appropriate accounting policies consistently applied throughout the Council and supported by reasonable and prudent judgements and estimates.

The Council members acknowledge that they are ultimately responsible for the system of internal financial control established by the Council and place considerable importance on maintaining a strong control environment. To enable the Council members to meet these responsibilities, the Council 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 Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach.

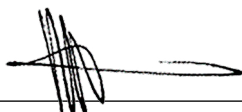
The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council members are of the opinion, based on the information and explanations given by management and the internal auditors, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the Council members have no reason to believe that the Council will not be a going concern in the foreseeable future. The consolidated annual financial statements support the viability of the Council.

The Council members have reviewed the Council's cash flow forecast and, in the light of this review and the current financial position, it is satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements have been audited by the independent audit firm, PriceWaterhouseCoopers Inc., who have been given unrestricted access to all financial records and related data, including minutes to all meetings of the Council. The Council members believe that all representations made to the independent auditors during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on page 102 - 103.

The consolidated and separate annual financial statements as set out on pages 107 to 114 were approved by the Council on 22 September 2020 and were signed on their behalf by:



Mr Ntsindiso Charles Nduku
President



Ms Letsabisa Shongwe né Lerotholi
Vice President



REGISTRAR'S REPORT

The Registrar presents his report for the year ended 31 March 2020.

1. Review of activities

Main business and operations

The entity is a statutory body that regulates the registration of architectural professionals in South Africa and there were no major changes herein during the year.

The South African Council for the Architectural Profession (the entity) is a regulatory body that was established by the Architectural Profession Act, 2000 (Act No. 44 of 2000), which was published on 1 December 2000 and came into effect on 26 January 2001.

Mission

- A SACAP that is inclusive and transparent;
- An Architectural Profession recognised as a global leader in the built environment;
- A clear understanding of our mandate amongst other regulators and StakeHolders towards comprehensive conclusive delivery.

Vision

Transformed Architectural leaders serving society in a sustainable built environment.

The Council is tasked with making the major decisions within the organisation. Council Members serve a term of four years.

2. Going concern

The separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The application of this basis is supported by the application of a detailed budget process and ongoing compliance with budgeting controls.

The Council is not aware of any new material changes that may adversely impact the entity. The Council is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislations which may affect the entity.

3. Events after reporting date

All events subsequent to the date of the consolidated annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed. Subsequent to the reporting period the world COVID-19 pandemic is likely to have a lasting and detrimental effect on the economy. Following the announcement by the President of South Africa on 23 March 2020 enforcing a nationwide lockdown, most sectors of South African economy have been impacted severely and our Built Environment was not be spared. The South African Council for the Architectural Profession (SACAP) is also feeling the impact of this economic disaster.

In the month of April 2020, the SACAP has experienced a significant slowing down in the collection of annual fees in comparison to the April months of the previous years. The Council, in an emergency meeting held on 22 April 2020, resolved to put various measures in place in order to assist the SACAP to survive these tough times in the new financial period.

The Council put measures in place in response to the impact of COVID-19 pandemic in 2020/21 financial year. The payment terms for 2020/21 Annual Fees invoices have been extended from normal 60 days to 180 days as a measure to assist the Registered Persons (RPs) in these difficult times and as a result, the patterns of cash collection of annual fees are unpredictable in the first half of the financial year. The events did not result in material adjustment to the reported financial statement.

4. Council members

The members of the Council during the year and to the date of this report are as follows:

Mr NC Nduku - (Appointed as President on 17 April 2019)
Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019)
Ms K Naidoo (Appointed 17 April 2019)
Ms N Daki (Appointed 17 April 2019)
Ms L Ngodwane (Appointed 17 April 2019)
Dr S Dlamini (Appointed 17 April 2019)
Mr V Phailane (Appointed 17 April 2019)
Mr K Bingham (Appointed 17 April 2019)
Mr MA Mohidien (Appointed 17 April 2019)
Mr RG Nicholls (Appointed 17 April 2019)
Mr L Nematswerani (Appointed 17 April 2019)
Mr K Manyathela (Appointed 01 December 2017 until 3 May 2019)
Mr R Lekota (Appointed 15 April 2014 until 3 May 2019)
Mr K Ranchod (Appointed 08 September 2014 until 3 May 2019)
Mr P Jolobe (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)

5. Operating results

The operating results and Statement of Financial Position of the Fund is fully set out in the attached annual financial statements.

Net Deficit was R381 747 (2019: R281 376)

6. Auditors

PricewaterhouseCoopers Inc. were the auditors during the year under review and will be recommended for reappointment in the 2021 financial year.



Advocate Toto Fiduli

Registrar

22 September 2020



STATEMENT OF FINANCIAL POSITION

Figures in Rand	Notes	2020	2019
Assets			
Current Assets			
Cash and cash equivalents	4	2,255,794	[^] 2,597,542
Total Assets		2,255,794	2,597,542
Equity and Liabilities			
Equity			
Retained earnings		1,775,794	2,157,542
Current Liabilities			
Trade and other payables	5	480,000	440,000
Total Equity and Liabilities		2,255,794	2,255,794

[^] - The short term investments amounting to R2 million were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Notes	2020	2019
Operating costs		(521,551)	(441,331)
Operating loss		(521,551)	(441,331)
Finance income	6	139,803	159,955
(Deficit) for the year		(381,748)	(281,376)
Other comprehensive income		-	-
Total comprehensive loss for the year		(381,748)	(281,376)

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Notes	2020	2019
Balance at 1 April 2018 as adjusted		2,438,918	2,438,918
Total comprehensive loss for the year			
Deficit for the year		(281,376)	(281,376)
Total comprehensive loss for the year		(281,376)	(281,376)
Balance at 31 March 2019		2,157,542	2,157,542
Balance at 1 April 2019		2,157,542	2,157,542
Total comprehensive loss for the year			
Deficit for the year		(381,748)	(381,748)
Total comprehensive loss for the year		(381,748)	(381,748)
Balance at 31 March 2020		1,775,794	1,775,794

STATEMENT OF CASH FLOWS

Figures in Rand	Notes	2020	2019
Deficit for the year		(381,748)	(281,376)
Adjustments for:			
Separately disclosed items		(139,803)	(159,955)
Cash generated by/(utilised in) operations		(521,551)	(441,331)
Working capital changes			
Increase/(decrease) in trade and other payables		40,000	-
Net cash generated by/(utilised in) operations		(481,551)	(441,331)
Finance income		139,803	159,955
Net cash generated by /(utilised in) operating activities		(341,748)	(281,376)
Net (decrease) / increase in cash and cash equivalents		(341,748)	(281,376)
Cash and cash equivalents at beginning of the year		2,597,542	2,878,919
Cash and cash equivalents at end of the year	4	2,255,794	[^] 2,597,542

[^] - The short term investments amounting to R2 million were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.



ACCOUNTING POLICIES

1. General information

The annual financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (IFRS) and the Architectural Profession Act, 2000 (Act no 44 of 2000).

2. Basis of preparation

The annual financial statements of the Council have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to entities reporting under IFRS.

The annual financial statements have been prepared under the historical cost convention.

The financial statements are presented in South African Rand, which is the entity's functional currency.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New Standards and Interpretations

Standards and interpretations effective and adopted in the current year

At the date of authorisation of these financial statements for the year ended 31 March 2019, the following IFRSs were adopted:

IFRS/IFRIC	Title and details	Effective	Expected Impact
IAS 19	IAS 19: Employee benefits (Plan Amendment, Curtailment or Settlement)	Effective date postponed 1 January 2019	No material impact
IFRS 9	IFRS 9: Financial Instruments (Prepayment features)	Annual periods commencing on or after 1 January 2018	No material impact
IFRS 16	Leases	Annual periods commencing on or after 1 January 2019	Right of use of assets (Printers) have been disclosed in the balance sheet as a finance lease.

Standards and interpretations not yet effective.

The Council has not applied the following new, revised or amended pronouncements that have been issued by the IASB as they are unlikely to have material impact in the current accounting period (the list does not include information about new requirements that affect interim financial reporting or first-time adopters of IFRS since they are not relevant to the Council). The Council anticipates that the new standards, amendments and interpretations will be adopted in the Council's consolidated financial statements when they become effective. The Council has assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods.

IFRS/IFRIC	Title and details	Effective	Expected Impact
IFRS Framework material impact	Amendments updating a reference to the Conceptual Framework	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact
Amendments to IAS 1	IAS 1 Classification of Liabilities as Current and Non-current	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Amendments regarding the costs to include when assessing whether a contract is onerous	Annual periods commencing on or after 1 January 2022	Unlikely to have a material impact

All applicable standards will be complied with in the financial statements for the period ending 31 March 2020. Compliance with these amendments, revisions and improvements require additional disclosure compared to that required in terms of existing IFRS.

Management performed an assessment of the impact of all applicable standards that will apply for the period ending 31 March 2020.

3.1 Financial assets

3.1.1 Loans and receivables

Council applied the principles of IFRS 9. In terms of IFRS 9 the classification and measurement requirements are driven by cash flow characteristics and the Council's business model. Financial instruments are classified into one of three classes: amortised cost, fair value through statement of comprehensive income, and fair value through other comprehensive income. The standard also incorporates a forward looking 'expected loss' impairment model. The standard contains requirements in the following areas:

(i) Classification and measurement

Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics.

(ii) Impairment of financial assets

IFRS 9 requires an expected credit loss model to be used in impairing financial assets. This model requires

the Council to account for expected credit losses and changes thereto at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit loss event to have occurred before impairments are recognised.

In assessing collective impairment, the Council uses historical trends if the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

(iii) Derecognition

The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The Council has applied IFRS 9 principles in the current financial year. All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

There however is no significant difference between the application of IAS 39 and IFRS 9 to the financial instruments identified in the 2020 financial year for classification and measurement. Although the impact of impairment is immaterial, the expected credit loss simplified approach to trade receivables was applied. Trade receivables are mostly current and the impact of that default would be immaterial.

3.1.2 Accounts receivables

Accounts receivables are carried as financial assets at amortised cost. A credit loss account is used to recognise impairments on accounts receivables. For accounts receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date, except for the following receivables:

- Interest-free loans made to related parties without any fixed repayment terms or the effect of discounting being immaterial, that are measured at cost less impairment losses for bad and doubtful debt, if any; and
- Short-term receivables with no stated interest rate and the effect of discounting being immaterial, that are measured at their original invoice amount less impairment losses for bad and doubtful debt, if any.

At each reporting date, the Council assesses whether there is any objective evidence that a receivable or Council of receivables is impaired. IFRS 9 requires an expected credit loss model to be used in impairing financial assets. This model requires the Council to account for expected credit losses and changes thereto at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit loss event to have occurred before impairments are recognised.

3.1.3 Cash and cash equivalents

Cash comprises cash on hand and at bank and demand deposits with the bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, bank overdrafts do not form an integral part of the Council's cash management as a result they are not included as a component of cash and cash equivalents.

3.2 Financial liabilities

3.2.1 Accounts payables

Accounts payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

3.3 Finance income

Interest income is recognised using the effective interest method.

3.4 Other income

Other income comprises of education grants and donations on capital expenditure that are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the Council. Where retention of an education grants and donation is dependent on the entity satisfying certain criteria, it is initially recognised as deferred income. When the



criteria for retention have been satisfied, the deferred income balance is released to the statement of comprehensive income or netted against the asset purchased.

4. Cash and cash equivalents

Figures in Rand	2020	2019
Banks	2,255,794	[^] 2,597,542
	2,255,794	2,597,542

[^] - The short term investments amounting to R2 million were reclassified from "Financial assets" to "Cash and cash equivalent" in line with the requirements of paragraph 6 of IAS 7 as the maturity date of these investments fell within 3 months to the end of the financial year and were readily convertible to known amount of cash and were subject to insignificant risk of change in value. The reclassification does not have any impact on the Council's net asset value.

5. Trade and other payables

Figures in Rand	2020	2019
Accrual-Grants	480,000	440,000
	480,000	440,000

6. Finance income

Figures in Rand	2020	2019
Finance income	139,803	159,955
	139,803	159,955

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. Related party transactions and key management

Relationship

Members of key management	Adv Toto Fiduli - Registrar Mr Maduwele Segobola CA(SA) - Senior Manager : Finance Ms Marella O'Reilly - (Former) Registrar Ms Barbara Van Stade - (Former) Chief Operating Officer Mr Tshepo Tefo- (Former) Senior Manager : Finance
Non - Executive - Council Members	Mr Nduku - (Appointed as President on 17 April 2019) Ms LR Shongwe née Lerotholi - (Appointed as Vice-President on 17 April 2019) Ms K Naidoo (Appointed 17 April 2019) Ms N Daki (Appointed 17 April 2019) Ms L Ngodwane (Appointed 17 April 2019) Dr S Dlamini (Appointed 17 April 2019) Mr V Phailane (Appointed 17 April 2019) Mr K Bingham (Appointed 17 April 2019) Mr MA Mohidien (Appointed 17 April 2019) Mr RG Nicholls (Appointed 17 April 2019) Mr L Nematswerani (Appointed 17 April 2019) Mr K Manyathela - (Former) (Appointed 01 December 2017 until 3 May 2019) Mr R Lekota - (Former) (Appointed 15 April 2014 until 3 May 2019) Mr K Ranchod - (Former) (Appointed 08 September 2014 until 3 May 2019) Mr R Ruiters - (Former) (Appointed 15 April 2014 until 28 August 2018) Mr P Jolobe - (Former Vice-President) (Appointed 05 December 2017 until 3 May 2019)
Non - Executive - Audit and Risk Committee (ARC) members	Ms N Oliphant (Appointed May 2019) Mr L Nematswerani (Appointed May 2019) Mr RG Nicholls (Appointed May 2019) Mr T Poho (Appointed May 2019) Mrs Z Tshabalala (Appointed August 2019) Mr P Serote (Appointed June 2014 until 30 April 2019) Adv F Mukaddam - (Former) (Appointed September 2014 until August 2019) Mr C Motau - (Former) (Appointed September 2014 until April 2019) Mr K Manyathela - (Former) (Appointed March 2018 until April 2019) Mr R Ruiters - (Appointed October 2017 until August 2018) Mr K Ranchod - Appointed October 2017 until April 2019)
Executive authority	Department of Public Works
Governing body	Refer to the Registrar's report for the Council member names
Relationship governed by law	Council for the Building Environment

8. Taxation

The South African Council for the Architectural Profession's receipts and accruals are exempt from Income tax in terms of the provision of section 10(1)(cA)(i) of the Income Tax Act, 1962(No.58 of 1962)



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Financial instruments

The council has classified its financial liabilities in the following categories:

Figures in Rand	Loans and receivables	Total
31 March 2020		
Current financial assets		
Cash and cash equivalents (refer note 4)	2,255,794	2,255,794

Figures in Rand	Loans and receivables	Total
31 March 2019		
Current financial assets		
Cash and cash equivalents (refer note 4)	2,597,542	2,597,542

The council has classified its financial liabilities in the following categories:

Figures in Rand	Amortised cost	Total
31 March 2020		
Current financial liabilities		
Trade and other payables (refer note 5)	480,000	480,000

Figures in Rand	Amortised cost	Total
31 March 2019		
Current financial liabilities		
Trade and other payables (refer note 5)	440,000	440,000

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Council. Credit risk consists mainly of cash deposits. The Council only deposits cash with major banks with high quality credit standing and limit exposure to any one counter-party.

The carrying amount of cash deposits in the financial statements represents the SACAP Fund's maximum exposure to credit risk.

Figures in Rand	2020	2019
Banks	2,255,794	2,597,542

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Financial instruments continued

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of cash available to perform its duties

The Council's risk to liquidity is a result of the funds available to cover future commitments. The Council manages liquidity risk through ongoing review of the future commitment and credit facilities

Summary quantitative data - SACAP Fund

	Less than 1 year	Between 1 and 5 years	Over 5 years
31 March 2020			
Trade and other payables (refer note 5)	480,000	-	-
31 March 2019			
Trade and other payables (refer note 5)	440,000	-	-

Interest rate risk

The Council has significant interest-bearing assets that causes its income and operating cash flows to be substantially dependent on the changes in the market interest rates.

In order to manage the cash flow interest rate risk, the Council will repay the corresponding payables when it has surplus funds.

Capital Risk Management

The objective of the Council when managing capital is to safeguard its ability to continue as a going concern.

The capital structure of the Council consists of cash and cash equivalents disclosed in the note 4 and retained earnings as disclosed in the statement of financial position.

Financial Risk Management

The council's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the organisation's financial performance. The council approved and monitor risk management policies.

DETAILED INCOME STATEMENT

Figures in Rand	2020	2019
Other Income		
Finance Income	139,803	159,955
	139,803	159,955
Expenditure		
Bank charges	1,551	1,331
Grants	520,000	440,000
	521,551	441,331
(Deficit) for the year	(381,748)	(281,376)

The supplementary information presented does not form part of the annual financial statements and is unaudited



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