South African National Blood Service

ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2024

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CONTENTS

The annual financial statements were prepared under the supervision of Chief Financial Officer, Tshepo Kgage

DIRECTORS' STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The directors are required, in terms of good governance and the Companies Act of South Africa 71 of 2008 ("Companies Act"), as amended, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information Included In this report.

The directors are further responsible to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year, and the results of its operations and cash flows for the year then ended, in conformity with IFRS Accounting Standards as Issued by the International Accounting Standards (IFRS).

The external auditors are engaged to express an Independent audit opinion on the annual financial statements.

The annual financial statements of the South African National Blood Service NPC (SANBS) have been prepared in terms of IFRS, including any interpretations, guidelines and directives issued by the Accounting Standards Board, as well as in a manner required by the Companies Act. The directors have assessed SANBS' ability to continue as a going concern and have every reason to believe that SANBS will be a going concern in the year ahead. The directors' responsibility also includes maintaining an effective risk management system and an adequate system or internal controls that are designed to provide cost-effective assurance that assets are adequately safeguarded, and working capital are efficiently managed and that there are policies, procedures, structures and approval frameworks to provide direction, accountability and division of responsibilities.

The directors place considerable importance on management maintaining an effective control environment. The directors set standards for internal controls aimed at reducing the risk of error or loss in a cost-effective manner. These standards include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

The directors have reviewed the company's cash flow forecast for the 12 months period after the date of approval of the financial statements and, in light of this review and the current financial position, they are satisfied that the Company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the SANBS' annual financial statements.

Their report is presented on page 5 to 6.

The annual financial statements set out on pages 7 to 40, which have been prepared on the going concern basis and in accordance to IFRS, were approved by the board on the 12 September 2024 and were signed on their behalf by:

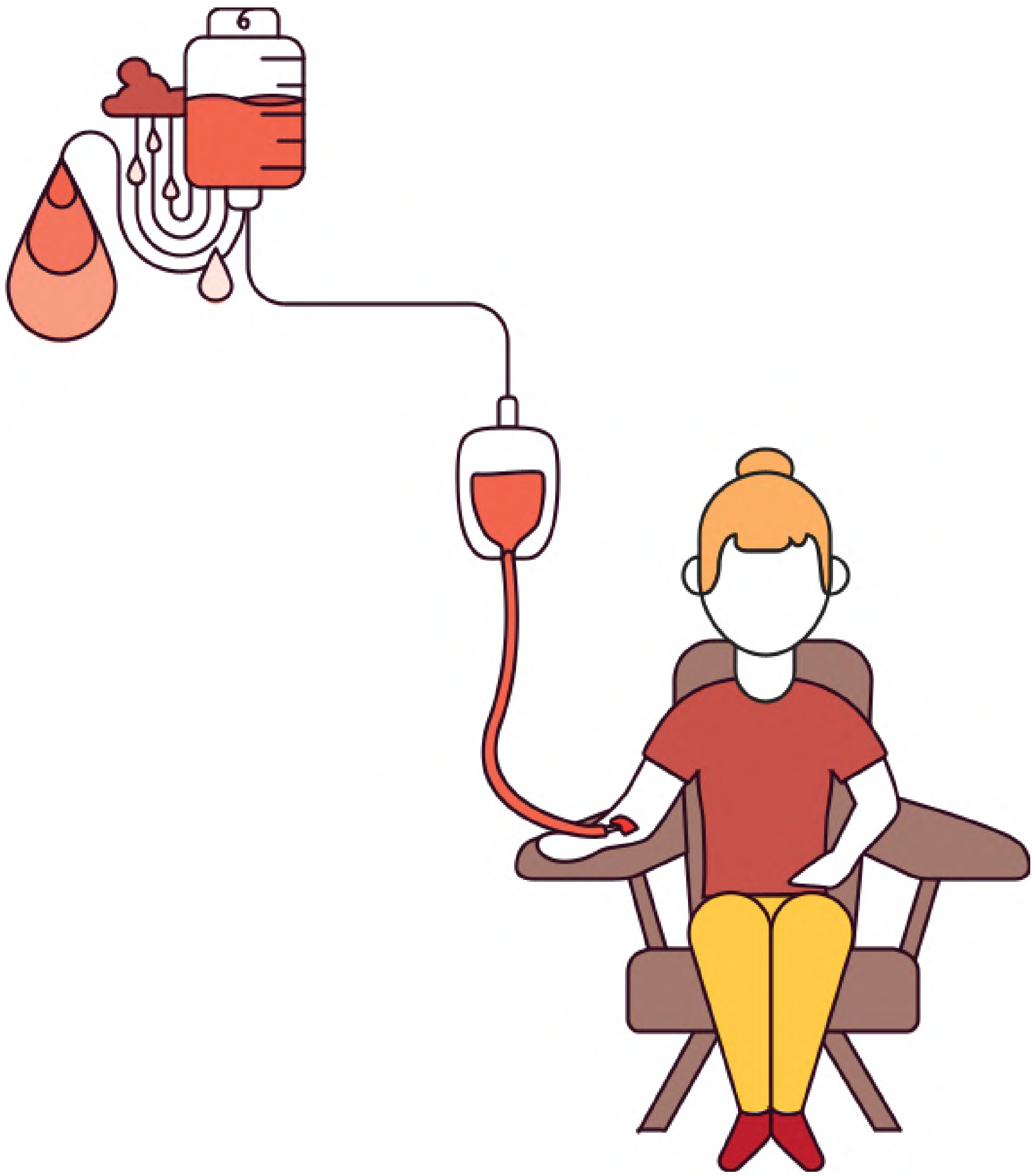
Mr T Mokgatlha
Chairman
27 September 2024

Mr R Reddy
Chief Executive Officer
27 September 2024

CERTIFICATION BY COMPANY SECRETARY

I certify that in accordance with the provisions of section 88(2) of the South African Companies Act 71 of 2008 and to the best of my knowledge and belief all required returns and notices in terms of the Companies Act 71of 2008 have been lodged with the Companies and Intellectual Property Commission (CIPC). I certify that all such returns and notices appear to be correct and up to date.

Ms A Manduna
Company Secretary
Johannesburg
27 September 2024



DIRECTORS' REPORT

The directors are pleased to present their report and the audited annual financial statements for the year ended 31 March 2024.

1. NATURE OF BUSINESS

The South African National Blood Service (SANBS) is a not-for-profit organisation incorporated in terms of the South African Companies Act 71 of 2008.

The mandate of SANBS is to provide blood transfusion and related services. The principal activities of SANBS remain unchanged from the previous reporting period.

2. MEMBERS OF THE ORGANISATION

SANBS is governed by the National Council. Members of the SANBS National Council are donors nominated from independent donor structures as set out in the Memorandum of Incorporation. The National Council appoints the donor directors and holds the full Board of Directors accountable for managing and controlling SANBS operations in accordance with its mandate.

3. DIRECTORS

As at 31 March 2024, the Board of Directors comprised ten directors, five donor non-executive directors, three appointed non-executive directors and two executive directors as listed hereunder.

Donor Non-Executive

Dr JM Black (Resigned 25.11.2023)
Ms F Burn
Ms C Henry
Dr L Hyera (Appointed 25.11.2023), (Resigned 6.03.2024)
Mr G Leong
Ms L Molefe
Ms P Mthethwa
Ms A Ramalho (Resigned 25.11.2023)

Appointed Non-Executive

Mr S Fakie
Mr T Mokgatlha (Chair)
Dr M Vaithilingum

Executive

Mr V Reddy
Dr K van den Berg

All directors complete annual declarations of interest and recuse themselves from any discussions or decisions where they are conflicted.

4. COMPANY SECRETARY

Ms Avril Manduna is the appointed Company Secretary. The addresses of the Company Secretary are as follows:

Business Address

1 Constantia Boulevard
Constantia Kloof
Roodepoort
1724

Postal Address

Private Bag X14
Weltevreden Park
1715

DIRECTORS' REPORT *(continued)*

5. AUDITORS

The auditors of SANBS are Deloitte & Touche whose business and postal addresses are as follows:

Business Address	**Postal Address**
5 Magwa Crescent	Private Bag X6
Waterfall City	Gallo Manor
Waterfall	2052
2090	
South Africa	

6. BUSINESS RESULTS SUMMARY

The financial position of SANBS at 31 March 2024 is set out in the statement of financial position. SANBS achieved a surplus of R248 million (2023: R394 million) for the year under review, as set out in the statement of surplus and deficit and other comprehensive income.

The surplus for this financial period decreased by R146 million compared to the previous period. This change was primarily because of higher credit loss provisions on certain debtors and additional expenses related to finalising the BECS project, particularly impacting employee costs. However, this was partially balanced by lower consumable expenses due to an extended contract with a major supplier, resulting in significant savings.

During the current financial year, a write-off of debtors amounting to R632 million which was fully provided in the provision for bad debts, was approved.

7. APPOINTMENTS AND RESIGNATIONS OF PRESCRIBED OFFICES AND DIRECTORS

Prescribed officers

Mr Daniel Olifant was appointed as Chief Human Capital Officer of SANBS effective 1 May 2023 whilst Ms Sibusisiwe Sibanda was appointed as Executive: Corporate Services of SANBS effective 1 June 2023.

Directors

Ms A Ramalho's tenure on the Board concluded on 25 November 2023, upon the conclusion of her term of office and Dr J Black tendered his resignation from the Board on 25 November 2023. Dr L Hyera was appointed on 25 November 2023 and resigned on 6 March 2024.

8. GOING CONCERN STATUS

The directors believe that SANBS has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared based on a going concern. The directors have satisfied themselves that SANBS is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes, non-compliance with statutory or regulatory requirements or of any pending changes to legislation, which may affect SANBS.

9. EVENTS AFTER REPORTING DATE

As at 31 March 2024, 51 vehicles were classified as assets held for sale, from that list 21 were sold generating a total of R2.3 million. Refer to Note 15.

Other than the non-adjusting subsequent events noted above the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

Deloitte.

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Gallo Manor 2052
South Africa

Deloitte & Touche
Registered Auditors
Audit & Assurance
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INDEPENDENT AUDITOR'S REPORT
To the members of South African National Blood Service NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of South African National Blood Service NPC set out on pages 7 to 40 which comprise the statement of financial position as at 31 March 2024, and the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of South Africa National Blood Service NPC as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (IASs). Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Statements* section of our report. We are independent of the Company 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 (including *International Independence Standards*) (IESBA code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "South African National Blood Service NPC's Annual Financial Statements for the year ended 31 March 2024" which includes the Directors' Report as required by the Companies Act of South Africa, the Directors' Statement of Responsibilities for the Annual Financial Statements and the Certification by Company Secretary. The other information does not include the financial statements and our auditors 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 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 Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

Auditors 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 it 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 the audit in accordance with ISAs, we exercise professional judgment 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 cause significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors 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 Company 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.

We communicate with the directors regarding, 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.

DocuSigned by:
Deloitte & Touche
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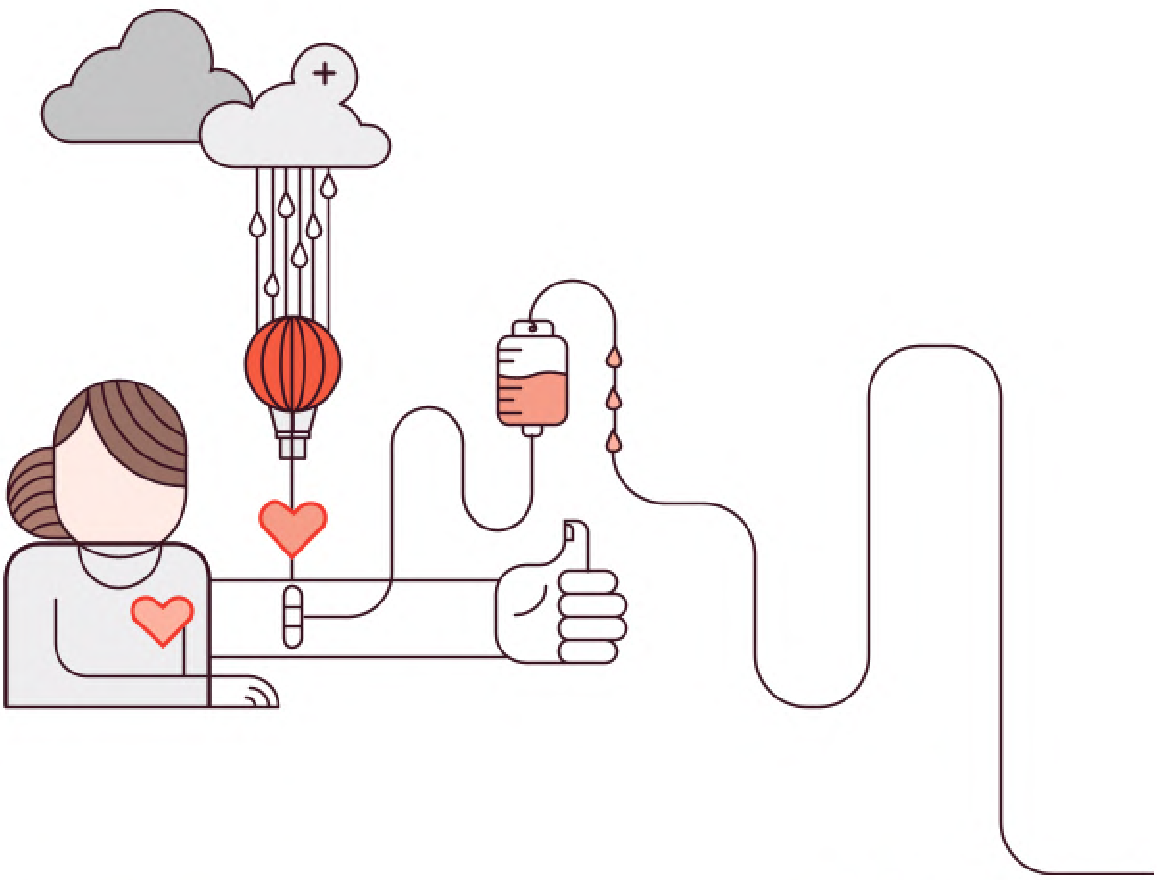
Deloitte & Touche
Registered Auditor
Per: Portia Nobantu Ngumbela
Partner

30 September 2024

STATEMENT OF SURPLUS AND DEFICIT AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	Notes	2024 R'000	2023 R'000
REVENUE	4	**4 025 499**	**3 995 434**
Operating expenses	5	**(3 749 893)**	(3 578 439)
Impairment losses on financial assets	14	**(224 310)**	(143 030)
Other income	6	**9 493**	2 052
Net interest received		**181 578**	108 008
Interest received	7	**199 898**	129 482
Interest expense	7	**(18 320)**	(21 474)
SURPLUS FOR THE YEAR	8	**242 367**	**384 025**
TAXATION	9	**–**	**–**
Surplus for the year		**242 367**	**384 025**
Other comprehensive income			
Actuarial gain	16	**5 300**	9 974
COMPREHENSIVE SURPLUS FOR THE YEAR		**247 667**	**393 999**



STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2024

	Notes	2024 R'000	2023 R'000
ASSETS			
Non-current assets			
Property, plant and equipment owned	10	**800 655**	791 811
Intangible assets	11	**79 869**	-
Right-of-use assets	12	**97 094**	122 499
Total non-current assets		**977 618**	**914 310**
Current assets			
Inventories	13	**132 837**	126 783
Trade and other receivables	14	**1 046 833**	967 186
Investment	18	**1 608 008**	1 325 000
Cash and cash equivalents	18	**738 667**	926 352
Total current assets		**3 526 345**	**3 345 321**
Assets held-for-sale	15	**3 837**	5 466
Total assets		**4 507 800**	**4 265 097**
RESERVES & LIABILITIES			
Reserves		**3 881 007**	3 633 340
Non-current liabilities			
Lease liabilities	12	**51 995**	78 225
Provision for post-retirement medical aid obligation	16	**43 119**	45 642
Total non-current liabilities		**95 114**	**123 867**
Current liabilities			
Current portion of lease liabilities	12	**50 850**	51 804
Current portion of provision for post-retirement medical aid obligation	16	**3 347**	3 362
Trade and other payables	17	**360 981**	256 398
Provisions	17.1	**115 796**	195 621
Medical Aid Reimbursement	17.2	**705**	705
Total current liabilities		**531 679**	**507 890**
Total reserves and liabilities		**4 507 800**	**4 265 097**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Reserves R'000
Balance at 1 April 2022	**3 239 341**
Surplus for the year	384 025
Other comprehensive income	9 974
Balance at 1 April 2023	**3 633 340**
Surplus for the year	242 367
Other comprehensive income	5 300
Balance at 31 March 2024	**3 881 007**

STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

	Notes	2024 R'000	2023 R'000
Cash flow from operating activities			
Net surplus		**242 367**	384 025
Adjustments:			
Depreciation on property, plant and equipment		**108 171**	113 868
Amortisation of software		**13 387**	–
Depreciation on right of use asset		**58 416**	61 734
Expected credit loss raised		**224 310**	143 030
Net loss on disposal of property, plant and equipment and assets held for sale		**2 709**	8 451
Interest received		**(199 898)**	(129 482)
Interest expense		**18 320**	21 474
(Decrease)/increase in provisions		**(79 826)**	14 723
(Decrease) in medical aid reimbursement		**–**	(637)
Net gain on foreign currency transactions		**–**	62
Post-retirement medical aid non-cash items		**(2 988)**	(3 005)
Cash generated from operations		**384 968**	**614 243**
Increase in inventories		**(6 054)**	(7 119)
Increase in trade and other receivables		**(303 956)**	(160 250)
Increase/(decrease) in trade and other payables		**104 584**	(4 001)
Net cash from operating activities		**179 542**	442 873
Interest received	7	**199 898**	129 482
Interest paid	7	**(12 540)**	(15 244)
Net cash generated from operating activities		**366 900**	**557 111**
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	**(186 015)**	(126 344)
Acquisition of intangibles	11	**(25 369)**	–
Proceeds from sale of property, plant, and equipment and assets held for sale		**33**	2 114
Acquisition of investments	18	**(1 608 008)**	(1 325 000)
Proceeds from maturity of investments	18	**1 325 000**	1 070 000
Net cash utilised in investing activities		**(494 359)**	**(379 230)**
Cash flows from financing activities			
Contractual lease payments	12	**(60 226)**	(73 096)
Net cash utilised in financing activities		**(60 226)**	**(73 096)**
Increase in cash for the year		**(187 685)**	**104 785**
Cash and cash equivalents at the beginning of the year		**926 352**	821 567
Cash and cash equivalents at the end of the year	19	**738 667**	**926 352**

ACCOUNTING POLICIES

1. ACCOUNTING POLICIES

Statement of compliance

The annual financial statements of SANBS are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards (IFRS). Accounting policies, which are useful to users, especially where particular accounting policies are based on judgement regarding choices within IFRS have been disclosed. Accounting policies for which no choice is permitted in terms of IFRS have been included only if management concluded that the disclosure would assist users in understanding the annual financial statements as a whole, taking into account the materiality of the item being discussed. Accounting policies which are not applicable from time to time, have been removed, but will be included if the type of transaction occurs in future.

The principal accounting policies adopted, which have been consistently applied in all material respects, are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS and the Companies Act of South Africa 71 of 2008, as amended.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies, which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is South African National Blood Services' (SANBS') functional currency.

These accounting policies are consistent with the previous period. "Recognised in profit or loss" refers to recognition in the statement of Surplus or Deficit.

1.2 Property, plant and equipment

Land and buildings are stated at cost. Buildings are depreciated over their useful lives to their residual values. Land is not depreciated.

Plant, equipment, furniture, fittings, and vehicles are stated at cost less accumulated depreciation and impairments. Depreciation is charged so as to write off the depreciable amount of the assets over their estimated useful lives, using the straight-line method. Depreciation commences when the assets are ready for their intended use.

The useful lives are:

Buildings	50 years
Plant and equipment	4 – 10 years
Motor vehicles	5 years
Computer equipment	4 – 5 years
Furniture and fittings	4 – 10 years

Rates are considered appropriate to reduce the carrying amounts of the assets to their estimated residual values over their expected useful lives. The residual values and useful lives are assessed on an annual basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and these are included in the operating surplus.

1.3 Intangible assets

Intangible assets are stated at cost. They amortised over their useful economic life.

Intangible assets are stated at cost less accumulated amortisation and impairments. Amortisation is charged so as to write off the amortisation amount of the intangible assets over their estimated useful lives, using the straight-line method. Amortisation commences when the intangibles assets are ready for their intended use.

The useful life is:

Intangible assets	4 – 15 years

The amortisation values and useful lives are assessed on an annual basis.

An intangible asset with a finite useful life is amortised and is subject to impairment testing. When an intangible asset is disposed of, the gain or loss on disposal is included in profit or loss.

1. ACCOUNTING POLICIES *(continued)*

1.4 Assets held-for-sale

Non–current assets are classified as held-for-sale if the carrying amount will be recovered through sale. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and management is committed to the sale and the sale is expected to be completed within one year from date of classification.

Immediately prior to being classified as held-for-sale the carrying amount of the asset is measured in accordance with the applicable standards. After classification as held-for-sale the asset is measured at the lower of the carrying amount and fair-value less costs to sell.

1.5 Financial instruments

Financial assets and financial liabilities are recognised when SANBS becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair-value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair-value through profit or loss) are added to or deducted from the fair-value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair-value through profit or loss are recognised immediately in profit or loss.

1.5.1 Financial assets

SANBS classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVTOCI); or
- Fair value through profit or loss (FVTPL).

The classification depends on the business model for managing the financial assets and the contractual term of the cash flows. SANBS determines the classification of its financial assets at initial recognition.

1.5.2 Amortised cost

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset gives rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified as amortised cost shall be measured using the effective interest method.

1.5.3 Fair value through other comprehensive income (FVTOCI)

A financial asset shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, whose contractual terms gives rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

1.5.4 Fair value through profit or loss (FVTPL)

A financial asset shall be measured at fair value through profit or loss unless it is measured in accordance with paragraph and 1.5.2 or 1.5.3.

1.5.5 Reclassifications

SANBS will only reclassify financial assets when there are changes in its business model concerning the management of those financial assets. SANBS will not reclassify any financial liabilities.

1. ACCOUNTING POLICIES *(continued)*

1.5 Financial instruments *(continued)*

1.5.6 De-recognition of financial assets

SANBS derecognises a financial asset only when the contractual rights to cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. If SANBS neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, SANBS recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If SANBS retains substantially all the risks and rewards of ownership of a transferred financial asset, SANBS continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and the receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.5.7 Impairment of financial assets

The allowance for credit losses on financial assets are based on expected credit losses. Expected credit losses are a probability-weighted estimate of the present value of cash shortfalls over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

SANBS applies the simplified approach to calculate the lifetime expected credit losses for trade receivables, as they do not contain a significant financing component as defined in IFRS 15 Revenue from contracts with customers, using a provision matrix. The provision matrix used is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment. Trade receivables are grouped based on shared credit risk characteristics which takes into account the geographical location (i.e. local or Foreign), nature of the person (i.e. natural or juristic persons), business sector (i.e. private and public sector entities) and the size of a trade debtor.

SANBS considers a financial asset to be in default when contractual payments are more than 120 days past due. However, in certain cases, SANBS may also consider a financial asset to be in default when internal or external information indicates that SANBS is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1. ACCOUNTING POLICIES *(continued)*

1.6 Financial Liabilities and Equity Instruments

1.6.1 Classification as debt

Debt instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an instrument.

1.6.2 Financial liabilities

Financial liabilities are classified as either financial liability 'at Fair value through profit or loss (FVTPL)' or 'other financial liabilities'.

1.6.2.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been acquired principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that SANBS manages together and has a recent actual pattern of short-term profit taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair-value basis in accordance with SANBS' documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments; Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair-value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain of loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the other gains and losses' line item in the statement of surplus and deficit and other comprehensive income. Fair-value is determined in the manner described in note 20.

1.6.2.2 Other financial liabilities

Other financial liabilities (including borrowings) are subsequently measured at amortised cost using the effective-interest method.

The effective-interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective-interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective-interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

1. ACCOUNTING POLICIES *(continued)*

1.7 Inventories

Inventories are valued at the lower of cost and the net realisable value, using the weighted average costing method. Cost is determined as follows:

- Blood packs, accessories, packaging materials, filtration stocks, chemicals and the reagents at a weighted average costing method.
- Fractionated plasma in process products and finished products at a weighted average costing method.
- Consumable stores at a weighted average costing method.
- Plasma and purchased finished goods at a weighted average costing method.
- Blood stocks on hand at the year-end are not included in inventories
- Test kits using the weighted average costing method.
- Obsolete or slow-moving inventories are identified and suitable reductions in value are made where necessary.
- Stock on hand for more than 180 days is fully provided for.

1.8 Revenue recognition

SANBS recognises revenue when it satisfies the performance obligation by supplying blood products to the customer at a point in time. SANBS recognises revenue in accordance with the core principles by applying the following steps:

- Identify the contract(s) with a customer.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation by supplying blood products.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business net of trade discounts and value added tax.

1.9 Interest income

Interest income is recognised as the interest accrues using effective-interest rate method. Interest income is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably.

1.10 Retirement benefits

SANBS provides provident and post-retirement medical aid benefits only for certain employees. It is measured at fair value through other comprehensive income.

The Company contributes to a defined contribution provident fund which is governed by the Pension Funds Act of 1956. SANBS' contribution to the fund in respect of service during a particular period is recognised as an expense in that period.

Provision is made for the present value of future post-retirement medical benefits due to current and former employees on the accrual basis determined actuarially every three years. The projected unit credit method of valuation is used to calculate the post-retirement benefits.

1.11 Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

1.12 Provisions

Provisions are recognised when SANBS has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

1. ACCOUNTING POLICIES *(continued)*

1.13 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases for assets which have a value less than R5 000 per month rental are considered to be low-value leases; and
- Leases with a term of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate implicit in the lease unless (as is typically the case) this is not readily determinable, in which case SANBS' incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of SANBS if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where SANBS is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When SANBS revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When SANBS renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiated lease increases the scope of the lease, the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

SANBS has elected not to recognise a right-of-use asset and lease liability for all short-term leases with a lease term of 12 months or less and all low-value assets. The lease payments of these leases are recognised on a straight-line basis over the lease term. Refer to note 12 of the annual financial statements. SANBS has also elected to combine the lease and non-lease components of a contract and account for them as a single lease component.

1. ACCOUNTING POLICIES *(continued)*

1.14 Medical aid reimbursement provision

SANBS engaged the services of an external party to estimate the amount owing to medical aids as a result of the breakdown in the control systems in respect of credit notes issued identified in note 17.2. The service provider estimated the total of all credit notes based on all cleared credit notes to medical aids. A provision was raised in March 2019. The provision was re-measured annually in line with negotiations and settlements agreed with medical aids. The provision at 31 March 2024 is in line with the directors' best estimate of remaining settlements with medical aids still in negotiation.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

2.1 Critical accounting judgements

In the process of applying SANBS' accounting policies, management has made the following judgements, apart from those involving estimations, that affect the amounts recognised in the annual financial statements and related disclosure:

2.1.1 Impairment of assets

2.1.1.1 Impairment of non-financial assets

SANBS reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

2.1.1.2 Impairment of financial assets

SANBS recognises a loss allowance for expected credit losses on all financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

SANBS measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, then the loss allowance for that financial asset is measured at 12-month expected credit losses (12-month ECL).

2.2 Key sources of estimation uncertainty

In the process of applying SANBS' accounting policies, management has made the following key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date:

2.2.1 Estimation of residual values and useful lives

Property, plant and equipment are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining lives of the assets and projected disposal values. Refer to accounting policy 1.2 and note 1.3 which sets out the estimated useful lives of property, plant and equipment and Intangible assets.

2.2.2 Provision for post-retirement medical obligation

A liability exists in respect of present value of future post-retirement medical aid benefits due to qualifying current and former employees on the accrual basis determined actuarially every year. Refer to assumptions set out in note 16.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

2.2 Key sources of estimation uncertainty *(continued)*

2.2.3 Inventory

Management periodically reviews inventories to identify any obsolete or slow-moving inventory. Judgement and estimates are required to do these reviews. Any change in the estimate could result in the revision of the valuation of inventory.

2.2.4 Leases

2.2.4.1 Estimating the incremental borrowing rate

SANBS uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that SANBS would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what SANBS 'would have to pay', which requires estimation when no observable rates are available or when there is need to be adjusted to reflect the terms and conditions of the lease. SANBS estimates the IBR using government bond yield rates plus the credit spread (using an estimated credit rating) determined at the date of the lease inception however for the prior year SANBS estimated the IBR using observable inputs (such as swap rates) when available and made certain entity-specific estimates (such as the credit rating).

2.2.4.2 Measurement of lease liabilities

SANBS shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the incremental borrowing rate over the lease period. SANBS estimates the incremental borrowing rate and the lease period taking into account renewal options to get to the lease liability.

2.2.4.3 Measurement of right-of use-assets

SANBS' right-of-use assets shall comprises the amount of the initial measured liability and accumulated depreciation. SANBS relies on the lease liability assumptions in calculating this value.

2.2.4.4 Renewal and termination options

SANBS applies judgement in determining the lease term by considering all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option and whether it is reasonably likely that options will be exercised by considering factors such as how far in the future an option occurs. Extension options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

3.1 Standards and Interpretations effective and adopted in the current year

There were no standards, interpretations and amendments applicable to SANBS effective in the current financial year.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(continued)*

3.2 Standards, interpretations and amendments not yet effective at 31 March 2024

SANBS has considered the following new standards, interpretations and amendments to existing standards, which are relevant to SANBS' operations and have been issued by the reporting date, but not yet effective as at 31 March 2024.

Standard	Details	Year-end beginning on or after
IAS 1 Presentation of Financial Statements	Non-current Liabilities with Covenants	1 January 2024
IAS 1 Presentation of Financial Statements	Classification of liabilities as current or non-current deferral of effective date	1 January 2024
IFRS 16 Leases	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures	Supplier Finance Arrangements	1 January 2024
IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability	1 January 2025
IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendment of the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18 Revenue	Presentation and Disclosure in Financial Statements	1 January 2027

SANBS has not early adopted any of the above amendments. The application thereof in future financial periods is not expected to have a significant impact on SANBS' reported results, financial position and cash flows.

	2024 R'000	2023 R'000

4. REVENUE

Revenue is recognised when SANBS has satisfied the performance obligation by supplying blood products to the customer at a point in time. Revenue is derived from the following major categories:

	2024 R'000	2023 R'000
Service fees	**4 025 499**	3 995 434
	4 025 499	**3 995 434**

Revenue is measured at the consideration SANBS is entitled to under the contract with the customer and excludes any amounts collected on behalf of third parties.

5. OPERATING EXPENSES

	2024 R'000	2023 R'000
Advertising and promotions	**45 396**	23 191
Communication costs	**52 692**	59 359
Consulting fees	**49 562**	66 783
Consumables used	**841 801**	935 757
Depreciation on owned property, plant and equipment	**108 171**	113 867
Amortisation of software	**13 387**	–
Depreciation on right-of-use assets	**58 416**	61 735
Employee benefits	**1 683 568**	1 497 745
Freight	**222 631**	209 671
Other expenses	**348 403**	320 008
Loss on sale of property plant and equipment and assets held for sale	**2709**	8 451
Land and buildings - utilities	**31 004**	24 356
Low value lease expenses	**15**	11
Motor vehicle costs (includes motor vehicle running costs, repairs and maintenance)	**32 243**	30 025
Product testing	**98 985**	90 101
Services received (rates and taxes, cleaning, security, Insurance, electricity and water)	**113 899**	100 878
Short term lease expenses	**1 471**	2 712
Travel and accommodation	**45 540**	33 789
	3 749 893	**3 578 439**

6. OTHER INCOME

	2024 R'000	2023 R'000
Miscellaneous Income	**9 493**	2 050
Discount received	**–**	2
	9 493	**2 052**

	2024 R'000	2023 R'000
7. NET INTEREST RECEIVED		
Interest received – Bank	**199 898**	76 232
Interest Expense	**(18 320)**	(22 282)
Interest accrued on post-retirement on medical aid obligation	**(5 755)**	(6 350)
Interest on lease liabilities	**(12 565)**	(15 932)
	181 578	**53 950**
Interest paid		
Interest charged to the surplus and deficit	**18 320**	22 282
Unpaid IFRS 16 lease liability interest	**(30)**	(964)
Interest accrued on post-retirement medical aid obligation	**(5 750)**	(6 002)
Interest paid per cash flow statement	**12 540**	**15 316**

8. SURPLUS FOR THE YEAR

The surplus for the year is stated after taking into account the following items:

	2024 R'000	2023 R'000
Auditor's remuneration	**18 575**	17 574
External audit – current year fees	**6 361**	5 299
External audit – prior year fees	**735**	635
Internal audit fees	**11 479**	11 640
Depreciation on owned property, plant and equipment	**108 171**	113 867
Buildings	**19 017**	19 147
Computer equipment	**17 901**	46 389
Furniture and fittings	**2 247**	4 920
Motor vehicles	**31 891**	10 077
Plant and equipment	**37 115**	33 335
Amortisation of Software	**13 387**	–
Depreciation on right-of-use assets	**58 416**	61 735
Plant and equipment	**23 032**	24 746
Land and buildings	**35 384**	36 988
Directors' emoluments (refer to Note 24)	**32 774**	28 374
Executive directors and prescribed officers	**28 048**	23 216
Non-Executive directors	**4 726**	5 158
Net gain on foreign currency transactions	**–**	62
Employee benefits	**1 683 568**	1 497 745
Salaries and wages	**1 089 364**	964 921
Bonus	**167 471**	156 543
Other	**195 683**	158 893
Pension	**127 554**	124 343
Medical Aid	**86 837**	80 436
Leave	**16 659**	12 609
Lease expenses	**32 490**	27 079
Land and buildings – utilities	**31 004**	24 356
Plant and equipment – low value lease expenses	**15**	11
Land and buildings – short term lease expenses	**1 471**	2 712

9. TAXATION

No provision for taxation is made as SANBS is specifically exempt from taxation in terms of Section 10(i)(cn) of the South African Income Tax Act.

10. PROPERTY, PLANT AND EQUIPMENT OWNED

2024	Beginning of year R'000	Additions R'000	Disposals R'000	Transfer to intangible assets R'000	Transfer from (to) assets held for sale R'000	End of year R'000
Cost						
Land and buildings	**598 555**	26 701	–	–	7 035	**632 175**
Plant and equipment	**337 156**	67 185	(2 773)	–	–	**401 568**
Motor vehicles	**167 808**	33 409	(708)	–	(19 098)	**181 411**
Computer equipment	**298 555**	47 904	(1 179)	(104 640)	–	**240 640**
Furniture and fittings	**42 593**	4 010	(465)	–	–	**46 138**
Capital Work in Progress	**40 356**	6 806	–	(38 755)	–	**8 407**
	1 484 907	**186 015**	**(5 125)**	**(143 395)**	**(12 063)**	**1 510 339**

	Beginning of year R'000	Charge for the year R'000	Disposals R'000	Transfer to intangible assets R'000	Held for sale R'000	End of year R'000
Accumulated depreciation						
Land and buildings	**97 972**	19 017	–	–	1 716	**118 705**
Plant and equipment	**263 751**	37 115	(2 678)	–	–	**298 188**
Motor vehicles	**62 218**	31 891	(442)	–	(13 037)	**80 630**
Computer equipment	**230 864**	17 901	(1 169)	(75 508)	–	**172 088**
Furniture and fittings	**38 291**	2 247	(465)	–	–	**40 073**
	693 096	**108 171**	**(4 754)**	**(75 508)**	**(11 321)**	**709 684**

	Cost R'000	Accumulated depreciation R'000	Net carrying value R'000
Net carrying value			
Land and buildings	**632 175**	**118 705**	**513 470**
Plant and equipment	**401 568**	**298 188**	**103 380**
Motor vehicles	**181 411**	**80 630**	**100 781**
Computer equipment	**240 640**	**172 088**	**68 552**
Furniture and fittings	**46 138**	**40 073**	**6 065**
Capital Work in Progress	**8 407**	**–**	**8 407**
	1 510 339	**709 684**	**800 655**

No assets are encumbered as security for debt. A register of properties is available for inspection at SANBS, 1 Constantia Boulevard, Constantia Kloof.

10. PROPERTY, PLANT AND EQUIPMENT OWNED *(continued)*

2023	Beginning of year R'000	Additions R'000	Disposals R'000	Transfer to assets held for sale R'000	End of year R'000
Cost					
Land and buildings	**578 734**	19 722	(17)	–	**598 439**
Plant and equipment	**325 415**	29 568	(17 827)	–	**337 156**
Motor vehicles	**146 700**	42 285	(20 710)	(467)	**167 808**
Computer equipment	**278 225**	22 713	(2 383)	–	**298 555**
Furniture and fittings	**41 201**	3 560	(2 168)	–	**42 593**
Capital Work in Progress	**31 861**	8 495	–	–	**40 356**
	1 402 136	**126 343**	**(43 105)**	**(467)**	**1 484 907**

	Beginning of year R'000	Charge for the year R'000	Disposals R'000	Transfer to assets held for sale R'000	End of year R'000
Accumulated depreciation					
Land and buildings	**78 827**	19 147	(2)	–	**97 972**
Plant and equipment	**246 130**	33 335	(15 714)	–	**263 751**
Motor vehicles	**66 717**	10 077	(14 256)	(320)	**62 218**
Computer equipment	**185 034**	46 388	(558)	–	**230 864**
Furniture and fittings	**35 399**	4 920	(2 028)	–	**38 291**
	612 107	**113 867**	**(32 558)**	**(320)**	**693 096**

	Cost R'000	Accumulated depreciation R'000	Net carrying value R'000
Net carrying value			
Land and buildings	**598 439**	**97 972**	**500 467**
Plant and equipment	**337 156**	**263 751**	**73 405**
Motor vehicles	**167 808**	**62 218**	**105 590**
Computer equipment	**298 555**	**230 864**	**67 691**
Furniture and fittings	**42 593**	**38 291**	**4 302**
Capital Work in Progress	**40 356**	**–**	**40 356**
	1 484 907	**693 096**	**791 811**

No assets are encumbered as security for debt. A register of properties is available for inspection at SANBS, 1 Constantia Boulevard, Constantia Kloof.

11. INTANGIBLE ASSETS

	Beginning of year R'000	Transfer from PPE R'000	Capital Work in Progress brought into use R'000	Additions R'000	Amortisation R'000	End of year R'000
Software						
Cost	–	104 640	38 755	25 369	–	168 764
Accumulated Amortisation	–	(75 508)	–	–	(13 387)	(88 895)
Net carrying value	**–**	**29 132**	**38 755**	**25 369**	**(13 387)**	**79 869**

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use

2024	Property R'000	Equipment R'000	Total R'000
Cost			
As at 31 March 2023	163 182	119 823	283 005
Additions	33 011	–	33 011
De-recognition	(41 729)	(18 863)	(60 592)
As at 31 March 2024	**154 464**	**100 960**	**255 424**
Accumulated depreciation			
As at 31 March 2023	109 334	51 172	160 506
Depreciation for the year	35 384	23 032	58 416
De-recognition	(41 729)	(18 863)	(60 592)
As at 31 March 2024	**102 989**	**55 341**	**158 330**

Net carrying value	Cost	Accumulated Depreciation	Net Carrying value
Property	154 464	(102 989)	51 475
Equipment	100 960	(55 341)	45 619
	255 424	**(158 330)**	**97 094**

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES *(continued)*

2023	Property R'000	Equipment R'000	Restated Total R'000
Cost			
As at 31 March 2022	166 394	119 823	286 217
Additions	28 181	–	28 181
De-recognition	(31 393)	–	(31 393)
As at 31 March 2023	**163 182**	**119 823**	**283 005**
Accumulated depreciation			
As at 31 March 2022	103 739	26 426	130 165
Depreciation for the year	36 988	24 746	61 734
De-recognition	(31 393)	–	(31 393)
As at 31 March 2023	**109 334**	**51 172**	**160 506**

Net carrying value	Cost	Accumulated Depreciation	Net Carrying value
Property	163 182	(109 334)	53 848
Equipment	119 823	(51 172)	68 651
	283 005	**(160 506)**	**122 499**

Lease liabilities

	2024 R'000	2023 R'000
Opening balance	**130 030**	174 864
Additions	**33 011**	28 180
Disposals	**–**	–
Interest accrued	**12 565**	15 932
Lease payments	**(72 761)**	(88 946)
Closing balance	**102 845**	**130 030**
Long term lease liabilities		
Property	**27 280**	32 504
Equipment	**24 715**	45 721
	51 995	**78 225**
Short term lease liabilities		
Property	**29 844**	28 836
Equipment	**21 006**	22 968
	50 850	**51 804**
Total liabilities		
Property	**57 124**	61 341
Equipment	**45 721**	68 689
	102 845	**130 030**
Maturity analysis – Contractual undiscounted cash flows		
Less than one year	**59 480**	62 911
One to five years	**56 110**	87 698
Total undiscounted cash flows	**115 590**	**150 609**

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES *(continued)*

Leases in the Income Statement

Lease payments for short-term leases or leases of low-value items are recognised as an expense over the lease term.

	2024 R'000	2023 R'000
Expense		
Short-term lease expenses	1 471	2 712
Low-vale lease expenses	15	11
	1 486	**2 723**

13. INVENTORIES

Consumables	151 716	133 593
Provision for obsolescence	(18 879)	(6 810)
	132 837	126 783

Total consumables charged to operating expenditure during the year amounted to R842 million (2023: R936 million)

14. TRADE AND OTHER RECEIVABLES

	2024 R'000	2023 R'000
Trade receivables	880 150	826 946
Sundry receivables	166 683	140 240
	1 046 833	967 186
Trade receivables:		
Gross receivables	1 491 390	1 845 595
Expected credit loss	(611 240)	(1 018 649)
	880 150	826 946

14. TRADE AND OTHER RECEIVABLES *(continued)*

SANBS applies the simplified approach for providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provisions for all trade receivables. The consolidated loss allowance as at 31 March 2024 is determined as follows:

Consolidated	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
2024							
Gross carrying amount	290 586	175 526	133 810	43 470	81 907	766 091	1491 390
Expected credit loss	(5 561)	(21 317)	(26 309)	(16 682)	(48 331)	(493 040)	(611 240)
Net carrying amount	**285 025**	**154 209**	**107 501**	**26 788**	**33 576**	**273 051**	**880 150**
Expected weighted average loss rate	**2%**	**12%**	**20%**	**38%**	**59%**	**64%**	**41%**

The loss allowance per different customer segments as at 31 March 2024 is as follows:

	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
2024							
State hospitals							
Gross carrying amount	171 099	143 392	123 056	35 242	63 218	354 150	890 157
Expected credit loss	(2 043)	(12 427)	(17 587)	(10 670)	(32 946)	(224 522)	(300 195)
Net carrying amount	**169 056**	**130 965**	**105 469**	**24 572**	**30 272**	**129 628**	**589 962**
Expected credit loss rate	**1%**	**9%**	**14%**	**30%**	**52%**	**63%**	**34%**
Government Institutions							
Gross carrying amount	7 846	2 772	4 899	2 323	3 559	184 035	205 434
Expected credit loss	(678)	(1 030)	(2 651)	(1 895)	(3 095)	(160 030)	(169 379)
Net carrying amount	**7 168**	**1 742**	**2 248**	**428**	**464**	**24 005**	**36 055**
Expected credit loss rate	**9%**	**37%**	**54%**	**82%**	**87%**	**87%**	**82%**
Medical aid institutions							
Gross carrying amount	97 549	11 063	14 191	1 443	6 223	75 636	206 105
Expected credit loss	(1 981)	(3 736)	(6 831)	(1 014)	(5 347)	(17 119)	(36 028)
Net carrying amount	**95 568**	**7 327**	**7 360**	**429**	**876**	**58 517**	**170 077**
Expected credit loss rate	**2%**	**34%**	**48%**	**70%**	**86%**	**23%**	**17%**
Foreign entities							
Gross carrying amount	1 549	614	1 085	462	999	53 867	58 576
Expected credit loss	(134)	(232)	(655)	(364)	(868)	(46 841)	(49 094)
Net carrying amount	**1 415**	**382**	**430**	**98**	**131**	**7 026**	**9 482**
Expected credit loss rate	**9%**	**38%**	**60%**	**79%**	**87%**	**87%**	**84%**

14. TRADE AND OTHER RECEIVABLES *(continued)*

Consolidated	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
Foreign Private Patients							
Gross carrying amount	378	164	197	95	200	5 216	6 250
Expected credit loss	(19)	(33)	(90)	(71)	(169)	(1 128)	(1 510)
Net carrying amount	**359**	**131**	**107**	**24**	**31**	**4 088**	**4 740**
Expected credit loss rate	**5%**	**20%**	**46%**	**75%**	**85%**	**22%**	**24%**
Private institutions							
Gross carrying amount	6 902	12 805	(14 957)	870	3 156	41 509	50 285
Expected credit loss	(155)	(1 870)	4 634	(368)	(2 151)	(32 338)	(32 248)
Net carrying amount	**6 747**	**10 935**	**(10 323)**	**502**	**1 005**	**9 171**	**18 037**
Expected credit loss rate	**2%**	**15%**	**(31%)**	**42%**	**67%**	**86%**	**64%**
Private Patients							
Gross carrying amount	5 263	4 716	5 339	3 035	4 552	51 678	74 583
Expected credit loss	(551)	(1 989)	(3 129)	(2 300)	(3 755)	(11 062)	(22 786)
Net carrying amount	**4 712**	**2 727**	**2 210**	**735**	**797**	**40 616**	**51 797**
Expected credit loss rate	**10%**	**42%**	**59%**	**76%**	**82%**	**21%**	**31%**

14. TRADE AND OTHER RECEIVABLES *(continued)*

Consolidated	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
2023							
Gross carrying amount	237 017	136 400	123 244	140 181	42 316	1 166 438	1 845 595
Expected credit loss	(4 397)	(14 964)	(24 147)	(55 270)	(27 388)	(892 483)	(1 018 649)
Net carrying amount	**232 620**	**121 436**	**99 097**	**84 911**	**14 928**	**273 955**	**826 946**
Expected weighted average loss rate	**2%**	**11%**	**20%**	**39%**	**39%**	**77%**	**55%**

The loss allowance per different customer segments as at 31 March 2023 is as follows:

	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
2023							
State hospitals							
Gross carrying amount	115 056	137 793	102 898	87 200	18 780	244 806	706 533
Expected credit loss	(1 126)	(11 411)	(12 132)	(24 090)	(7 449)	(105 934)	(162 144)
Net carrying amount	**113 930**	**126 382**	**90 766**	**63 110**	**11 331**	**138 871**	**544 389**
Expected credit loss rate	**1%**	**8%**	**12%**	**28%**	**40%**	**43%**	**23%**
Government institutions							
Gross carrying amount	2 714	3 450	3 764	3 681	3 461	178 214	195 285
Expected credit loss	(292)	(1 731)	(2 283)	(2 835)	(2 842)	(152 693)	(162 675)
Net carrying amount	**2 422**	**1 719**	**1 481**	**846**	**619**	**25 521**	**32 610**
Expected credit loss rate	**11%**	**50%**	**61%**	**77%**	**82%**	**86%**	**83%**
Medical aid institutions							
Gross carrying amount	77 683	1 267	14 509	4 176	14 906	371 608	484 150
Expected credit loss	(1 331)	(419)	(7 244)	(2 797)	(12 118)	(315 237)	(339 147)
Net carrying amount	**76 352**	**848**	**7 265**	**1 379**	**2 788**	**56 371**	**145 003**
Expected credit loss rate	**2%**	**33%**	**50%**	**67%**	**81%**	**85%**	**70%**
Foreign entities							
Gross carrying amount	2 148	4 110	1 165	1 397	3 150	40 999	52 969
Expected credit loss	(275)	(2 660)	(1013)	(1 215)	(2739)	(35 651)	(43 553)
Net carrying amount	**1 873**	**1 450**	**152**	**182**	**411**	**5 348**	**9 416**
Expected credit loss rate	**13%**	**65%**	**54%**	**87%**	**87%**	**87%**	**82%**
Foreign private patients							
Gross carrying amount	437	873	757	519	1 104	23 977	27 667
Expected credit loss	(27)	(224)	(374)	(379)	(893)	(20 850)	(22 746)
Net carrying amount	**410**	**649**	**383**	**140**	**211**	**3 127**	**4 922**
Expected credit loss rate	**6%**	**26%**	**49%**	**73%**	**81%**	**87%**	**82%**

14. TRADE AND OTHER RECEIVABLES *(continued)*

	Current R'000	1–30 days past due R'000	31–60 days past due R'000	61–90 days past due R'000	91–120 days past due R'000	More than 120 days past due R'000	Total R'000
Private institutions							
Gross carrying amount	35 055	(16 861)	(5 671)	37 039	(5 548)	77 890	121 904
Expected credit loss	(997)	3 718	2 111	(19 432)	3 701	(67 051)	(77 951)
Net carrying amount	**34 058**	**(13 143)**	**(3 560)**	**17 607**	**(1 847)**	**10 839**	**43 953**
Expected credit loss rate	**3%**	**(22%)**	**(37%)**	**52%**	**67%**	**86%**	**64%**
Private patients							
Gross carrying amount	3 922	5 769	5 823	6 169	6 463	228 942	257 088
Expected credit loss	(348)	(2 237)	(3 213)	(4 523)	(5 048)	(195 065)	(210 434)
Net carrying amount	**3 574**	**3 532**	**2 610**	**1 646**	**1 415**	**33 877**	**46 664**
Expected credit loss rate	**9%**	**39%**	**55%**	**73%**	**78%**	**85%**	**82%**

The negative balances on the debtor's ageing are due to receipts being above the outstanding balance as a result of unallocated partial and total receipts.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

	2024 R'000	2023 R'000
Movement in expected credit loss		
Balance at beginning of the year	**1 018 649**	937 937
Expected credit loss provision raised	**224 310**	143 030
Expected credit loss provision utilised	**(631 718)**	(62 318)
Balance at the end of the year	**611 240**	**1 018 649**

15. ASSETS HELD-FOR-SALE

2024	Beginning of year	Disposals	Transfer from (to) PPE	End of year
Cost				
Land and building	7 035	–	(7 035)	–
Motor vehicles	467	(7 296)	19 098	12 269
	7 502	**(7 296)**	**12 063**	**12 269**
Accumulated depreciation				
Land and building	1 716	–	(1 716)	–
Motor vehicles	320	(4 925)	13 037	8 432
	2 036	**(4 925)**	**11 321**	**8 432**
Net carrying value	**5 466**	**(2 371)**	**742**	**3 837**

2023	Beginning of year	Disposals	Transfer from (to) PPE	End of year
Cost				
Land and building	7 056	(21)	–	7 035
Motor vehicles	197	(197)	467	467
	7 253	**(218)**	**467**	**7 502**
Accumulated depreciation				
Land and building	1 720	(4)	–	1 716
Motor vehicles	132	(132)	320	320
	1 852	**(136)**	**320**	**2 036**
Net carrying value	**5 401**	**(82)**	**147**	**5 466**

In 2020, the Executive team agreed to sell a property at 25 & 27 Pearce Street, East London, which was valued at R5.3 million on March 31, 2020. The Board approved this sale on March 12, 2020. When the property was reclassified as "for sale," no loss in value was recorded. The Executive believed the property's market value, after considering selling costs, was higher than its listed value. An independent assessment valued the property at between R9 million and R12 million.

Because of COVID-19, the property remained on the market longer than expected and was listed as "for sale" in 2021, 2022, and 2023. On July 8, 2022, SANBS received a signed purchase offer for R6 million, which although was accepted, the sale did not materialise. In November 2022, another offer of R9.5 million was made but did not go through due to financial issues the buyer went through.

In March 2024, after careful consideration, the organisation decided to lease the property starting in April 2024 instead of selling it, due to difficulties in finding a buyer. The property was then reclassified back as Property, Plant, and Equipment (PPE).

During the current financial year, the Executive team approved the disposal of motor vehicles. At year end of the financial year March 2024, 51 vehicles with a total netbook value of R3,836,631, remained to be sold. No impairment loss was recognised on the reclassification of the vehicles to assets held for sale. The Executive of the organisation had expected that the fair value (estimated based on recent market prices of similar properties in similar locations) less the cost to sell is higher than the carrying amount.

16. PROVISION FOR POST-RETIREMENT MEDICAL AID OBLIGATION

The post-retirement medical aid arrangements provide health benefits to retired employees and certain dependants. Eligibility for cover is dependent upon certain criteria. There are no plan assets in respect of post-retirement medical plans. The post-retirement medical aid liability is valued at intervals of not more than three years using the projected unit credit method. The actual present value of the promised benefit at the most recent valuation performed in 2024 indicates that the contractual post-retirement medical aid liability is adequately provided for within the annual financial statements.

	2024 R'000	2023 R'000
Provision for post-retirement medical obligations – long term	43 119	45 642
Short term portion	3 347	3 362
Balance at the end of the year	**46 466**	**49 004**

16. PROVISION FOR POST-RETIREMENT MEDICAL AID OBLIGATION *(continued)*

Movement in the present value of the defined benefit obligation in the current year is as follows:

	2024 R'000	2023 R'000
Balance at the beginning of the year	**49 004**	55 835
Current service cost	**556**	637
Interest cost	**5 750**	6 148
Employer benefit payments	**(3 544)**	(3 642)
Actuarial (gain)/loss	**(5 300)**	(9 974)
Balance at the end of the year	**46 466**	**49 004**
Actuarial valuation assumptions		
Average retirement age	**65 years**	65 years
Continuation of membership at retirement	**90.00%**	**90.00%**
Healthcare cost inflation	**9.00%**	8.20%
Discount rate	**13.60%**	12.20%

Actuarial valuation assumptions and sensitivity analysis

31 March 2024	Base assumption	Change in assumption	Decrease in assumption 2024 R'000	Increase in assumption 2024 R'000
Impact on post-retirement medical aid obligation				
Discount rate	13.60%	1 %	4 570	(3 887)
Healthcare cost inflation	9.00%	1 %	(3 899)	4 058
Current Service Cost + Interest Cost	8.20%	1 %	(603)	638
Expected Retirement Age		1 Year	1 558	(1 554)

31 March 2023	Base assumption	Change in assumption	Decrease in assumption 2023 R'000	Increase in assumption 2023 R'000
Impact on post-retirement medical aid obligation				
Discount rate	12.20%	1 %	5 189	(4 371)
Healthcare cost inflation	8.20%	1 %	(4 336)	5 517
Current Service Cost + Interest Cost	8.40%	1 %	(700)	763
Expected Retirement Age		1 Year	1 681	(1 515)

17. TRADE AND OTHER PAYABLES

	2024 R'000	2023 R'000
Trade payables	**140 498**	175 559
Accruals	**74 852**	56 389
Value Added Taxation	**27 608**	5 200
Leave pay	**97 332**	–
Other payables	**20 691**	19 520
	360 981	**256 398**
Leave pay		
Opening Balance	**88 361**	–
Additional accrual recognised	**25 524**	–
Reduction due to leave taken	**(16 553)**	–
	97 332	**–**

The average credit period from suppliers is 39 days (2023: 46 days).

Other payables includes income received in advance, PAYE, Compensation for injury on Duty and foreign, and other miscellaneous creditors.

17.1 PROVISIONS

	2024 R'000	2023 R'000
Leave pay	**–**	88 361
Incentive bonus	**115 796**	107 261
	115 796	**195 622**
Leave pay		
Opening Balance	**–**	83 399
Additional provisions recognised	**–**	26 732
Reduction due to leave taken	**–**	(21 770)
	–	**88 361**

Leave pay provision represents the liability for leave days due to employees at 31 March 2023.

	2024 R'000	2023 R'000
Incentive Bonus		
Opening Balance	**107 261**	97 500
Additional provision recognised	**167 471**	149 370
Reduction due to payments made	**(158 936)**	(139 610)
	115 796	**107 261**

The leave pay balance has been reclassified into trade and other payables.

17. TRADE AND OTHER PAYABLES *(continued)*

17.2 MEDICAL AID REIMBURSEMENT

	2024 R'000	2023 R'000
Opening Balance	**705**	1 340
Utilised during the year	**–**	–
Overprovision released to profit/loss	**–**	–
– Provision released relating to settlements finalised in the Prior year	**–**	–
– Provision released relating to settlements finalised in the Current year	**–**	(635)
	705	**705**

During the year ended 31 March 2023, 2 settlement agreements were reached and the litigation initiated against GEMS was settled in December 2022. At the end of the 31 March 2023 financial year, 3 settlement agreements were outstanding.

The provision of R0.7 million (2023: R0.7 million) is sufficient to cover the liability to remaining medical aids.

Sensitivity analysis

If the provision had been 1% lower or higher and all other variables held constant, the surplus for the year would increase or decrease by R0.01 million (2023 increase/decrease by R0.01 million)

18. INVESTMENT

	2024	2023
Opening balance	**1 325 000**	1 070 000
Additions	**1 608 008**	1 325 000
Maturity of investments	**(1 325 000)**	(1 070 000)
	1 608 008	**1 325 000**

Investments are fixed deposit accounts with various banks, with a maturity period of 12 months

19. CASH AND CASH EQUIVALENTS

	2024	2023
Bank Balance	**121 220**	155 050
Money on Call	**617 447**	771 302
	738 667	**926 352**

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES

Interest rate risk

Fluctuations in interest rates impact on the returns derived from fixed deposit (Investment), balance held in bank accounts, and on interest payable on leases.

Interest rate risk management

SANBS manages its interest rate risk by negotiating favourable rates with its bankers. When deemed necessary interest rate quotes are obtained from other financial institutions to ensure that rates paid are market-related. Per the Investment Policy, funds may only be invested in the top four banks in South Africa.

Interest rate sensitivity

If the interest rate had been 1% higher/lower and all other variables held constant, the surplus for the year would increase/decrease by R1.9 million (2023 increase/decrease by R1.2 million).

Liquidity risk

The risk is managed by cash budgets and centralised cash management control. SANBS has adequate cash resources.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES *(continued)*

Foreign currency risk

SANBS purchases certain inputs directly from foreign suppliers; consequently, these input costs are influenced by fluctuations in the value of the rand. It is not the policy of SANBS to routinely take out forward exchange contracts.

The carrying amounts of SANBS' foreign currency denominated monetary liabilities at the reporting date is as follows:

Exchange rates:	2024	2023
USD	**18.87**	17.74
Euro	**20.40**	19.28
AUD	**12.31**	11.89
GBP	**23.83**	21.94

Current liabilities in:	R'000	R'000
Trade payables in USD denominated, translated to functional currency	**6 953**	6 972
Trade payables in Euro denominated, translated to functional currency	**181**	12 530
Trade payables in AUD denominated, translated to functional currency	**117**	9
Trade payables in GBP denominated, translated to functional currency	**23**	23

Foreign currency sensitivity

SANBS' exchange rate exposure relates mainly to the USD/EURO. The following table details SANBS' sensitivity to a 10% depreciation in the rand against the USD/EURO. 10% is the sensitivity rate that represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

10% foreign currency sensitivity – USD	**695**	697
10% foreign currency sensitivity – Euro	**18**	1253
10% foreign currency sensitivity – AUD	**12**	1
10% foreign currency sensitivity – GBP	**2**	2

Fair-value

The directors are of the opinion that the book value of financial instruments approximates the fair-value.

Fair-value hierarchy

Level 1: Fair-value derived from quoted prices in active markets.

Level 2: Fair-value derived through the use of valuation techniques based on observable inputs.

Level 3: Fair-value derived through the use of valuation techniques using inputs not based on observable market data.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES *(continued)*

2024

	Level 2 R'000	Level 3 R'000	Total R'000
Post-Retirement medical aid obligation			
	46 466	–	46 466
	46 466	**–**	**46 466**

2023

	Level 2 R'000	Level 3 R'000	Total R'000
Post-Retirement medical aid obligation			
	49 004	–	49 004
	49 004	**–**	**49 004**

Please refer to note 16 for the valuation technique relating to the Post-Retirement Medical Aid obligation.

SANBS has no financial instruments measured at fair value categorised as level 1 and level 3.

2024	**R'000**
Financial assets	
Investments	1 608 008
Cash and cash equivalents	738 667
Trade receivables	880 150
Total	**3 226 825**
Items included in trade and other receivables but not classified as financial instruments	
Income accrual	115 037
Prepaid expenses	40 403
Deposit	8 921
Other	2 322
	166 683
Financial Liabilities	
Lease liabilities	102 845
Medical Aid Reimbursement Provision	705
Trade and other payables	227 602
Post-retirement medical aid obligation	46 466
	377 618
Items included in trade and other payables but not classified as financial instruments	
Compensation for Occupational Injuries and Diseases provision	8439
Leave pay accrual	97 332
Value Added Taxation	27 608
	133 379
Items included in provisions but not classified as financial instruments	
Bonus provision	115 796
	115 796

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES *(continued)*

Classification of financial instruments

2024	Fair value R'000	Amortised cost R'000	Total R'000
Assets			
Investments	–	1 608 008	1 608 008
Cash and cash equivalents	–	738 667	738 667
Trade receivables	–	880 150	880 150
	–	**3 226 825**	**3 226 825**
Liabilities			
Lease liabilities	–	102 845	102 845
Trade and other payables	–	227 602	227 602
Medical Aid Reimbursement Provision	–	705	705
Post-retirement medical aid obligation	46 466	–	46 466
	46 466	**331 152**	**377 618**

2023	R'000
Financial assets	
Investments	1 325 000
Cash and cash equivalents	926 352
Trade receivables	826 946
	3 078 298
Items included in trade and other receivables but not classified as financial instruments	
Financial Liabilities	
Income accrual	112 112
Prepaid expenses	17 903
Deposit	7 388
Other	2 837
	140 240
Financial Liabilities	
Lease liabilities	130 030
Medical Aid Reimbursement Provisions	705
Trade and other payables	244 767
Post-retirement medical aid obligation	49 004
	424 506
Items included in trade and other payables but not classified as financial instruments	
Compensation for Occupational Injuries and Diseases provision	6 431
Value Added Taxation	5 200
	11 631
Items included in provisions but not classified as financial instruments	
Bonus provision	107 261
Leave pay provision	88 361
	195 622

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICIES *(continued)*

Classification of financial instruments

2023	Fair value R'000	Amortised cost R'000	Total R'000
Assets			
Investments	–	1 325 000	1 325 000
Cash and cash equivalents	–	926 352	926 352
Trade receivables	–	826 946	826 946
	–	**3 078 298**	**3 078 298**
Liabilities			
Lease liabilities	–	130 030	130 030
Trade and other payables	–	244 767	244 767
Medical Aid Reimbursement Provisions	–	705	705
Post-retirement medical aid obligation	49 004	–	49 004
	49 004	**375 502**	**424 506**

21. CAPITAL COMMITMENTS

	2024 R'000	2023 R'000
Commitments in respect of capital expenditure:		
Approved by directors – not contracted for		
Building and leasehold improvements	**100 377**	98 104
Computer hardware and software	**86 575**	53 981
Furniture and fittings	**12 000**	8 299
IT Projects	**42 068**	46 572
Motor vehicles	**72 234**	52 881
Plant and equipment	**125 960**	102 357
	439 214	**362 194**

22. GUARANTEES, CREDIT FACILITIES AND COLLATERALS

GUARANTEES

Financial Institutions have issued guarantees on behalf of SANBS to the value of R15 079 271 (2023: R5 340 804). Guarantees are issued for our bankers to our lessors for deposits due for rental premises used by the SANBS.

Credit facilities

SANBS entered into credit facility agreements with FNB. The agreement covers four facilities, which include the Short-term Contingent, Short-term Pre-settlement, Payments and Collections payment facilities. The collective available facility value has been disclosed below:

Limits of credit facilities available to SANBS	**178 000**	178 000
Total undrawn credit facilities at year end	**178 000**	**178 000**

Collateral

Cash and cash equivalents amounting to R278 million (2023: R278 million) have been ceded as security for credit facilities agreements.

23. DIRECTORS AND PRESCRIBED OFFICERS EMOLUMENTS

2024	Basic Salary R'000	Bonus R'000	Other Benefits R'000	Total R'000
Executive Directors				
K van den Berg	2 573	282	947	3 802
R Reddy	4 170	447	1 195	5 812
Prescribed Officers				
T Kgage	2 420	169	627	3 216
D Olifant (Appointed 01.05.2023)	2 244	230	280	2 754
S Prithvi Raj	2 130	258	964	3 351
M Vermeulen	2 243	258	958	3 459
F Monkwe	2 291	272	970	3 533
S Sibanda (Appointed 01.06.2023)	1 758	–	362	2 120
	19 829	1 916	6 303	28 048

2024	Remuneration R'000	Other Benefits	Total R'000
Non-executive directors			
A Ramalho (Resigned 25.11.2023)	433	–	433
C Henry	416	8	424
F Burn	506	1	507
G Leong	462	2	464
JM Black (Resigned 25.11.2023)	342	–	342
L. Molefe	419	2	421
M Vaithilingum	552	–	552
P Mthethwa	474	1	476
S Fakie	456	–	456
T Mokgatlha	569	11	580
L Hyera (Appointed 25.11.2023) (Resigned 6.03.2024)	72	–	72
	4 701	25	4 726

Other benefits include reimbursement for travel, provider funds, and medical aid.

23. DIRECTORS AND PRESCRIBED OFFICERS EMOLUMENTS *(continued)*

2023	Basic Salary R'000	Bonus R'000	Other Benefits R'000	Total R'000
Executive Directors				
K van den Berg	2 399	262	749	3 410
R Reddy	3 885	414	1 088	5 387
Prescribed Officers				
A Mothokoa (Resigned 01.12.2022)	1 446	246	925	2 617
F Monkwe	2 189	253	903	3 345
M Vermeulen	2 089	240	1 118	3 447
S Prithvi Raj	1 983	239	890	3 112
T Kgage (Appointed 01.08.2022)	1526	–	370	1896
	15 518	**1 655**	**6 042**	**23 216**

2023	Remuneration R'000	Other Benefits	Total R'000
Non-executive directors			
A Ramalho	695	–	695
C Henry	492	8	500
F Burn	492	1	493
G Leong	527	2	529
JM Black	484	–	484
L. Molefe (appointed 19.11.2022)	120	1	121
M Vaithilingum	555	–	555
P Mthethwa	503	1	504
S Fakie	661	–	661
T Mokgatlha	596	20	616
	5 125	**34**	**5 158**

Other benefits include reimbursement for travel, provider funds, and medical aid.

24. RELATED PARTIES

Directors above are key management therefore related parties. Other than the directors SANBS has no other related parties.

25. SUBSEQUENT EVENTS

As at 31 March 2024, 51 vehicles were classified as assets held for sale, from that list 21 were sold generating a total of R2.3 million. Refer to Note 15.

Other than the non-adjusting subsequent events noted above the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

26. GOING CONCERN

The directors believe that SANBS has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared based on a going concern. The directors have satisfied themselves that SANBS is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes, non-compliance with statutory or regulatory requirements or of any pending changes to legislation, which may affect SANBS.