



THE INSTITUTION OF CERTIFICATED MECHANICAL and ELECTRICAL ENGINEERS, SOUTH AFRICA (NPC)

(Registration Number: 2018/541877/08)

CORPORATE ANNUAL REPORT

2021



MAIN CONTENTS

Page	
Vision, Mission and Objectives Statement	3
Agenda for the One Hundred and Tenth AGM of the Institution	4
Minutes of One Hundred and Nineth AGM meeting	5
Report by the outgoing Chairperson	8
Financial Summary	9
Board Representation	10
Portfolio Committee Reports	11
EXCO Committee	11
Finance Committee	11
Membership Committee	11
CPD Committee	13
Editorial Committee	14
Engineering Council of South Africa (ECSA) representation	14
Board of Directors 2022/2023	15
Brief CV of incoming Chairperson – Mr. Michiel Borman	15
Message by Incoming Chairperson	17
Closure	18
ANNEXURE A – Audited Financial Statement	19

In accordance with clause 4.3.3 of the Constitution, the Chairperson of the Board has pleasure in presenting the Hundred and Tenth Annual Report and Financial Statement for the year ended 31 December 2021.

ABOUT OUR INSITUION

The Vision

As per our Constitution, the Vision of ICMEESA is:

To be formally recognised within the profession as the representative body of all Certificated Mechanical and Electrical Engineers with membership of ICMEESA, being highly regarded by Members through the visible and tangible added value benefit of membership, through a combination of active branch activity and sound inter communication to and between the Members.

The Mission Statement

The mission of the Institution is to uphold the professional image, status and interest of all Certificated Mechanical and Electrical Engineers through:

- Representing the Certificated Engineer with pro-active participation on statutory, educational, and professional decision-making bodies.
- Regular formal and informal communication to and between Members to promote member interaction, fellowship, and ongoing professional development of the Certificated Engineer.
- Continuous professional development through Continued Professional Development recognised by ECSA.
- Active participation at branch level to promote members interaction and provide a platform for professional social networking.

Objectives

- To develop the Institution as the natural professional home for engineering general practitioners adequately qualified by education and experience to take full responsibilities for persons and machinery in both electrical and mechanical branches of engineering.
- To promote the general advancement of the electrical and mechanical engineering sciences and the application thereof to the design, installation, maintenance, operation and control of fixed or mobile plant and equipment; to provide facilities for the exchange of information on these subjects amongst members of the institution; to hold meetings and to place on record the proceedings of such meetings.
- To uphold the status of the electrical and mechanical engineering profession particularly in so far as they affect those members of the profession engaged in the design, installation, maintenance, operation and control of fixed or mobile plant and equipment.
- To support the efficient administration of the existing laws pertaining to the mechanical and electrical engineering professions and recommend amendments thereto as and when considered desirable.
- To do all things incidental or conducive for the attainment of any or all these goals.

**ONE HUNDRED AND TENTH ANNUAL GENERAL MEETING OF
THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS, SOUTH AFRICA (NPC) ON TUESDAY
28 JUNE 2022 AT 18h00**

AGENDA

NO	ITEM	RESPONSIBLE
1.	Opening and welcome	Chairperson
2.	Constitution of the meeting	Secretary
3.	Notice convening the meeting • Obituaries	Secretary Vice Chairperson
4.	Confirmation of the previous year's AGM Minutes of the Hundred and Eighth Annual General Meeting	Chairperson
5.	President's Review and Annual Report	Chairperson
6.	Financial Report • Confirmation of Auditors	Treasurer Treasurer
7.	Board of Directors for 2022/2023 • Confirmation of existing Board Directors remaining on the Board	Chairperson
8.	Inauguration of President/Chairperson for 2022 – Mr Michiel Borman	Chairperson
9.	Address by Incoming President/Chairperson	
10.	Address by Guest Speaker Mr Clive Rutter – Member of ICMEESA. Title of Address "Battery Technology"	C W Schnehage
11.	Closure	Chairperson

MINUTES OF THE ONE HUNDRED AND NINTH ANNUAL GENERAL MEETING OF ICMEESA

HELD ON 10 JUNE 2021 VIRTUALLY via ZOOM PLATFORM

1. OPENING AND WELCOME

The President/Chairman of ICMEESA, Mr Edward Singo, welcomed all present to ICMEESA's 109th Annual General Meeting, especially ICMEESA members, members of the Board of Directors, and Mr. Gary Els from Rand Water.

The President extended a special welcome to the past Presidents Mr Brian Clark (President 2015/16), Mr Sarel Kloppers (President 2013/2014) Mr Chris Schnehage (President 2006/07).

2. CONSTITUTION OF THE MEETING

The President confirmed members present and due to the meeting being a virtual meeting there was no register to sign. Total of 26 persons present in the virtual meeting.

The following apologies were noted:

Richard Murphy
Nicola Ivanovic

The President declared the meeting duly constituted and opened at 17h20.

The Vice President elect, Mr Michiel Borman requested a moment of honour for the following members who have passed away during 2020.

Obituaries:

ID Braude
A Broekman
B French
HA Greyling
K McKenzie

3. NOTICE CONVENING THE MEETING

The acting Secretary Stated that in accordance with the Memorandum of Incorporation and Constitution 2015 of the Institution of Certificated Mechanical and Electrical Engineers, South Africa (ICMEESA), the notice of the Annual General Meeting was advertised within the prescribed 21 days' notice of this meeting.

4. CONFIRMATION OF THE PREVIOUS YEAR'S AGM MINUTES

The minutes of the One Hundred and Eighth AGM was circulated and taken as read. (Note that due to the COVIC epidemic no AGMs were held in 2019 or 2020)
The approval of the minutes of the Annual General Meeting held on 07 March 2018 were proposed by Mr Sarel Klopers and seconded by Mr Ian Buchanan.

5. PRESIDENTS REVIEW and ANNUAL REPORT

The President read his Presidents Review which is included in the annual report. The Annual Report to be published after the meeting and will be circulated to members.

6. FINANCE REPORT

The Treasurer, Mr Obed Letsholo, presented the draft Annual Financial Statement and raised salient points. In particular the expenses incurred vs income. Surplus at end of 2020 was R 106 327 vs R 431 609 in 2019.
One question from the floor – Mr John Davidson questioned the salaries and wages of over R 544 000 and observed that this would affect affordability and would sink the Institution.
Presently work is being done to rectify this since our previous secretary has left us.

7. BOARD OF DIRECTORS FOR 2021/2022

The President explained that due to the COVID Pandemic and after consultation with our attorney – together with the inability to hold proper Board meetings and AGMs, the current board passed a resolution that the board members would serve for a further period of one year. (It should further be noted that two elected Board members resigned during the 2019/2020 period. They were Matlala Sathekge and Grant Sutherland.)
However, the leadership would change as normally does take place.

Thus, the Board members for 2021/2022 are as follows:

SURNAME	NAME	
Borman	Michiel Josias	Incumbent Vice President/Chairperson
Bosaletsi	Letuma Elia	
Bryers	Bernard	Incumbent President/Chairperson
Buchanan	Ian David	
Clack	Gregory Lionel	
Clark	Brian Andrew	
Klopers	Sarel Johannes	

Lambert	Henry Daniel	
Letsholo	Obed Nkweni	
Schnehage	Christopher William	
Singo	Edward	Immediate past President/Chairman

Mr Edie Singo handed the Chalice to Mr Bernard Bryers in a virtual manner and wished Mr Bryers all the best for his term of office.

Immediate Past President, Mr Eddie then introduced Mr Bernard Bryers by reading a brief CV.

8. ADDRESS BY THE 2021/2022 PRESIDENT/ CHAIRPERSON

Mr Bernard Bryers then read a message which is repeated in the Annual Report.

9. GUEST SPEAKER

Mr Gary Els from Rand Water then addressed the audience with his talk titled “One Hundred Years of Water”. The talk was most interesting as it described the building of the water supply on the Witwatersrand actually covering 118 years from 1886 when gold was discovered.

Mr Eddie Singo then thanked Gary for his most interesting presentation.

10. ADJOURNMENT

The meeting adjourned at 19h20

Report by the Outgoing Chairperson – Presidents Review

Dear members

On behalf the Institution, I would like to extend my gratitude to all Members of the Board and Portfolio Committees for the levels of commitment displayed throughout the past year.

This annual report serves to provide a summary of the actions taken during the past year. In this report, the extent of the matters attended to are not necessarily limited to what is reflected.

1. INTRODUCTION

This Annual report covers activities for January to December 2021.

2. ANNUAL FOCUS 2021

During the period under review, the following developments within the institution occurred;

2.1 Secretarial Services – As the Institution Secretary, Ms Mariana Jacobs had resigned at the end of 2020, we did not fill the vacancy but rather made use of the services of one of our Board members, Mr. Christopher Schnehage, to act in the role of Secretary. He has managed the matters at hand in a very able manner for the duration of 2021.

2.2 Bookkeepers Appointment - GT Administration was appointed as the Institution's bookkeepers and accountants and as such their address has become the Institution's Domicile address. They have assisted our Acting Secretary with the accounting package and have managed to produce an Annual Financial Statement for 2021.

2.3 Fee collection and member update – While the focus was not entirely on this item – it is the long term goal of the Acting Secretary to get the members database up to date and to encourage members to pay their fees.

2.4 The Constitution was updated in December 2021 at a Special General Meeting.

3. ACTION LOG

The action log has been addressed during EXCO meetings and reported within the meeting agenda.

A second action log has been produced touching on the subject matter raised during the workshop held in February of this year. This action log was broadly around aspects of funding matters for ICMEESA.

The log was discussed at EXCO meetings and resulted in the review of the ICMEESA Constitution.

A Special General Meeting was held in December 2021 where the proposed changes to the Constitution was approved.

4. GOVERNANCE - CONSTITUTION

As part of Governance, following the acceptance of the new updated Constitution, the EXCO was dissolved, and the following Committees were established/re-established:

Strategic Committee. New Committee. Chaired by the Chairperson of the Board.
Purpose to look at strategic issues facing the Institution.

Finance Committee. Chaired by our Treasurer – Mr. Letsholo. Continuation of previous Finance Committee.

Membership Committee. Headed up by Mr. Clack. Continuation of original Committee – but with additional members.

CPD Committee. Headed up by Mr. Kloppers. Continuation of Committee, however, new additional members still to be appointed.

Engagement Committee. Headed up by Mr. Singo. New Committee set up to look at engagement matters with DME, DoE&L, ECSA, etc. Purpose is to align our Institution with pertinent matters of interest to the Certificated Engineers.

Editorial Committee. headed up by Mr. Schnehage Continuation of original committee, however, new additional members still to be appointed.

The duties of the Committees are listed in the Constitution.

5. **GCC Masterclass**

Two successful GCC Masterclasses were held during May and November 2021.

The sessions were conducted on a virtual platform (Zoom) which worked very well.

6. **CONCLUSION**

It is recommended that the Board of Directors **NOTES** the report as submitted.

BERNARD BRYERS

Original signed by B Bryers

CHAIRPERSON

__23 June 2022__
DATE

Financial Report

The finances of the Institution are in the care of our Treasurer, Mr. Letsholo, and the Finance Committee.

They have done a sterling job in managing the finances of the Institution and curtailing unnecessary expenditures.

The surplus at end of 2021 was R 794 083 vs R 217 092 at the end of 2020.

The Annual Financial Statement (AFS) for 2021 is attached at the end of this report.

GT Administrators confirmed as Auditors for 2022/2023.

Board Representation - 2021

COMPOSITION OF BOARD, BOARD COMMITTEES AND REPRESENTATIVES: 2021

BOARD

Chairperson	B Bryers
Immediate Past Chairperson	E Singo
First Vice President	M J Borman
Second Vice President	Vacant
Honorary Treasurer	O N Letsholo

Branch Chairpersons:

North West	Vacant
Western Cape	C W Schnehage
KwaZulu-Natal	B Bryers
Free State	I D Buchanan – liaison
Eastern Cape	G L Clack
Gauteng	M J Borman

Elected additional Members

B A Clark
S J Kloppers
L Bosaletsi
H Lambert
C W Schnehage
I D Buchanan
M J Borman

Board Portfolio Committees – 2021

EXCO Committee (Now no longer in effect.)

B Bryers – Chairperson
E Singo
G L Clack
O N Letsholo
S J Kloppers

Finance Committee

O N Letsholo
C W Schnehage
B Bryers
H Lambert
E Singo

Membership Committee

G L Clack – Chairperson

E Singo

CPD Committee

S J Kloppers – Chairperson

Editorial Committee

C W Schnehage – Chairperson

Portfolio Committee Reports**EXCO Committee**

The EXCO Committee has met every second month during the period under review and has seen to the efficient running of the office of the Institution.

Finance Committee

- The Finance Committee met regularly to ensure the financial governance of the Institution was on the right track with close monitoring of the expenses.
- Function of the Secretary, through the Finance Committee, was the process of following up of members fee payments.
- GT Administrators served as our auditors and assisted the acting Secretary with the accounting package.

Membership Committee

Dear Institution Members,

It gives me pleasure in delivering our first MEMBERSHIP FUNCTIONAL COMMITTEE REPORT to the Annual General Meeting of the Members for the year 2021.

MEMBERSHIP CHANGES

The following is a list of application for membership for the year 2021:

New applications:

Mem No	Name	Mem Grade
70678	April AC	Member
70679	Magalela	Member
70670	Marius Fourie	Member
70671	Tebogo Tong	Member
70672	Moipone Nyaredi	Member
70673	Nico Schoonwinkel	Student
70674	Tyron Aigbekaen	Member
70675	Irvin Chauque	Member
70676	Darren Woods	Member
70677	Michael Macmillan	Member
70680	Shivesh Singh	Member
70681	Petrus Louwrens	Member
70682	Syanda Nyawuza	Member

70673	Nico Schoonwinkel	Upgrade Student to Member
60352	Alan Clark	Upgrade to Senior Member
70684	Daniel Phalane	Member

Retirements:

Mem No	Name	From grade	To Retirement
57631	PJM Retief	R20	R30
54857	L Robson	Member	R30
3618	EM Botha	R20	R30
57623	Jb Davidson	R20	R30
57430	MA Edwards	R20	R30
60989	B Bryers	Member	R10
1798	D Franklin-Smith	Member	R30
38601	MV Wingrove	R20	R30
18178	R Malcolm	Member	R30
56096	W Bouwer	Member	R30
60057	J vd Berg	Senior Member	R30
1636	EP van Rooyen	Member	R30
52066	M Pickard	Senior Member	R30

Resignations:

Mem No	Name	Mem Grade	Comments
70255	A du Toit	Member	Resigned
70091	Potgieter, BC	Senior	Resigned in November 2020 and was never processed as such.
60873	Botha, LE	Member	Resigned
60788	Monteiro JM	R10	Resigned
70524	Motloutsi ML	Student	Resigned in February 2021
2640	Ginsberg LH	Member	Resigned in December 2020 and not noted
18179	B O'Conner	Member	Has retired

Deceased:

Mem No	Name	Date
60372	Evans Darryl	22 June 2021
60637	Tomas Van Graan	28 July 2021

MEMBERSHIP FUNCTIONAL COMMITTEE OUTLOOK

- The function of the MEMBERSHIP FUNCTIONAL COMMITTEE is to manage and develop the Institution's membership base with an aim of adding value to both the Institution and the member.
- The Committee plans to meet approximately a month prior to each Board Meeting to enable adequate reporting. Meeting dates for the year 2022 were established and communicated to the Honorary Secretary for coordination purposes.
- The Committee consists of four committed members (two directors and two full members); namely Greg Clack, Chris Schnehage, Eugene Makabanjane and Ntombhele Tau.
- The Terms of Reference for this committee have been agreed upon and that this will be a working document which will be amended as required.

- The Committee plans to engage in a “brainstorming” exercise to plot an innovative membership drive.
- The review of the PATRON MEMBERSHIP category has been initiated and the relevant documentation has been circulated to the Committee members. This will be discussed in 2022 where a formal finalization of the proposal will be documented, and potential qualifying corporates identified.
- Membership applications continue to be handled as and when required; *ad hoc* by e-mail round-robin.
- There is a very real need to review, and maintain, the membership database, and to chase up subscription invoices – this will be managed by the Secretariate.

Submitted on behalf of the MEMBERSHIP FUNCTIONAL COMMITTEE.

Greg Clack

Chairman – MEMBERSHIP Committee

Membership stats

Paid members – 302

Unpaid members – 383

Total invoiced members – 685

Therefore, percentage of paid up members = 44%

CPD Committee

- At present the CPD Committee is made up of one member.
- There has been a steady flow of activities being validated for accreditation.
- The following is a list of CPD Activities that have been registered during 2021.

New applications:

CPD Activity No	Vendor Name	CPD Points	DATE
ICMEESA287-21	Kapitalbiz Consulting	3	12-03-2021
ICMEESA288-21	2KG Training	4	27-02-2021
ICMEESA289-21	2KG Training	0.5	13-04-2021
ICMEESA290-21	2KG Training	3	18-04-2021
ICMEESA291-21	2KG Training	2	20-04-2021
ICMEESA292-21	2KG Training	5	21-05-2021
ICMEESA293-21	2KG Training	5	06-06-2021
ICMEESA297-21	SUN Cybernetics	Not completed	Reapplication pending
ICMEESA298-21	2KG Training	2	07-09-2021
ICMEESA299-21	Silhouette-Plus	3	04-11-2021
ICMEESA300-21	2KG Training	1	01-11-2021

- ICMEESA continues to provide the service of validating CPD activities for Service Providers who are registered with us. ECSA updated their CPD procedures and made it necessary for Voluntary Associations who do CPD validation and activities to apply to ECSA to be approved as a Service Provider. This process was not completed during 2021.

Editorial Committee

- A quarterly news bulletin produced by the Western Cape Branch was published throughout the period.
- The website is updated throughout the year.
- Meetings of the Institution to present papers were not held due to the CPD process being awaiting ECSA approval as a CPD Service Provider.

Engineering Council of South Africa (ECSA) representation

We have a number of our members who assist with the registration process of PR Cert Eng applications. This being in the Assessment, Moderation and Review stages.

Members are also called upon by ECSA to assist with policy matters by being selected to sit on sub committees which review various policies.

The following Board members have been involved in one way or another with Committees and working groups for ECSA.

O N Letsholo:

- Pr Cert Eng Registration Assessments

G L Clack

- Pr Cert Eng Registration Assessment
- Pr Cert Eng Registration Review Interviews
- Member of the Education Committee (EC) – since February 2021
- Member of the R-05-PCE working group compiling the “Discipline-specific Training Guideline for Candidate Certificated Engineers – since March 2021

S J Kloppers

- Pr Cert Eng Registration Assessment
- Pr Cert Eng Registration Review Interviews

C W Schnehage

- Pr Cert Eng Registration Assessment
- Pr Cert Eng Registration Review Interviews
- Member of the Research Policy and Standards Committee – since February 2021
- Member of the Continuing Professional Development Committee – since February 2021

L Bosaletsi

- Member of the Code of Practice Steering Committee

B A Clark

- Pr Cert Eng Registration Assessment

Board of Directors 2022/2023

The only change within the Board would be the change in leadership which is customary for the AGM.

The incoming Chairperson is Mr. Sias Borman, with Mr. Bernard Bryers becoming the Immediate Past Chairperson.

CV of Mr. Michiel “Sias” Borman

PERSONAL PARTICULARS

Name	:	Micheil Josias “Sias” Borman
Age	:	41 years old
Contact no	:	084 443 2992

EDUCATION

1995

HANS MOORE HIGH SCHOOL.

Matric

- Afrikaans
- English
- Mathematics
- Science
- Technical Drawing
- Mechanotechnics

1996 – 1998

BENONI TECHNICAL COLLEGE.

National “N” Diploma / N4 – N6

N4.

➤ Industrial Electronics	63%
➤ Electrotechnics	83%
➤ Mechanical Draughting	81%
➤ Mechanotechnics	76%
➤ Engineering Science	76%
➤ Mathematics	75%
➤ Supervisory Management	71%

N5.

➤ Strength of Materials & Structures	78%
➤ Power Machines	57%
➤ Fluid Mechanics	73%

➤	Mechanotechnics	83%
➤	Supervisory Management	64%
N6.		
➤	Strength of Materials & Structures	59%
➤	Power Machines	50%
➤	Fluid Mechanics	71%
➤	Mechanotechnics	69%
➤	Supervisory Management	63%
➤	Control Systems	71%

AWARDS.

Standard Foundry Trophy for Best Student in Steel Structures – 1996

SKF Trophy for Best Mechanical Student – 1996

Jan Marais Trophy for Best Student in Steel Structures – 1997

Chairman of the College Board Award for Outstanding Achievements in Strengths & Structures – 1997

SKF Trophy for Best Mechanical Student – 1997

Allied Putziger Award for Best Advanced Mechanical Student – 1997

DEPARTMENT OF EMPLOYMENT AND LABOUR.

Government Certificate of Competency – Mechanical Engineering (Factories), 2002.

ECSA

Professional registration with ECSA. PR Cert Eng Mech Fact

EMPLOYMENT HISTORY

Jun 2018 – Present

In2Food

Plant Engineering Manager

Sept 2015 – May 2017

QK Meats

Plant Engineering Manager

Nov 2012 - Aug 2015

Distell

Production Manager

July 2007 – Oct 2012

Distell

Plant Engineering Manager

May 2005 – June 2007

KIMBERLEY CLARK OF SA.

Asset Leader

September 2002 – April 2005

LOTHLORIEN PAPER MILL.

Maintenance Engineer

January 1996 – September 2002

TIMKEN SOUTH AFRICA (PTY) LTD.

Apprentice Machine Tool Fitter / Junior Manufacturing Engineer / Manufacturing Engineer / Maintenance Supervisor

Message by Incoming Chairperson

Good day Past Presidents, Board Members and ICMEESA Members.

It is an honour to accept the nomination as Chairman for the next term.

It feels like not too long ago when I joined ICMEESA and I started my career as a Plant Engineer. Soon after I have joined ICMEESA, Brian Clark became a friend of mine and we could serve together on the Gauteng Branch and later on the Board. Together as Board Members we have seen a lot of changes and we had to keep up to stay relevant and it is most probably going to be so for the future.

ICMEESA was founded in 1914 with the main purpose to enhance and protect the Engineering Profession in SA. It aims to serve its members and as a collective group partake and influence areas that affect us.

As Engineers, we have seen how industries and factories operate without the needed Competent persons on the specific sites and it will be the one area that I would like to, with the help of the respective Committees, play a bigger part in to make the change. To promote why a GCC Engineer is needed and the role that he/she fulfills in an organization, be it in Government, Municipalities, or a diversity of Industries.

Here are but a few, like:

- Procuring items that is specified and fit for purpose.
- Developing Planned Maintenance Systems to ensure reliability and longevity of assets.
- Ensure a safe workplace.
- Work and deal in an ethical manner.

Together as Engineers we are trained, groomed and capable of influencing our spheres where we operate in and to assist our Organizations to grow and improve to better our circumstances for Companies, Organizations, Industries and Government.

The time is now more than ever before to be the Engineers that is needed all over the world.
I thank you.



END OF ANNUAL REPORT

Annexure A:
Audited Financial Statement for 2021

**THE INSTITUTION OF
CERTIFICATED MECHANICAL
AND ELECTRICAL ENGINEERS
SOUTH AFRICA**

FINANCIAL STATEMENTS

for the year ending

31 December 2021

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

INDEX

The reports and statements set out below comprise the Financial Statements presented to the Institute

	PAGE
Practitioner's Report	
Statement of Financial Position	1
Statement of Comprehensive Income	2
Cash flow Statement	3
Notes to the Financial Statements	4
Notes to the Financial Statements (continued)	5
Notes to the Financial Statements (continued)	6

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

Annual Financial Statement

December 31, 2021

Comment

We were appointed in 2021 as the Accountant for The Institution of Certificated Mechanical and Electrical Engineers South Africa (Institution) with the mandate of completing the Annual Financial Statements (AFS) of the Institution commencing with the AFS for the year ending December 31, 2021.

It was established the prior to our appointment there were three investment accounts operated by Branches of the Institution in Cape Town , Gauteng and Rustenburg. These have in the past been accounted for outside the Financial Structure of the Institution. The Cape Town branch account was closed in 2020 and the residual funds were paid into the Institution's bank account. As at December 31,2021 an active Nedbank account for the Gauteng branch and has been imported into the Institution's Financial Statements. The status of the Rustenburg Investment Account is still unknown.

The Institution receives Grants and Donations that it utilises to pay bursaries to individuals for studies undertaken by them. The Accounting procedure within the Institution recognises the full bursary liability when the bursary is granted. Over time when payments are made this liability is reduced. Funds equivalent to the bursary liability are transferred into a Bursary Investment Account. It is contended this Investment Account should be treated as a Trust account and Independently scrutinised and audited.

The Nature of the Institution has changed in recent years as the quantum of funds made available for bursaries has reduced materially. No bursaries were granted in the year to 31 December 2021. It is suggested the relevance of the Institution should be revisited by the members in the light of this changed status.



Peter Glendining
Chartered Accountant (S.A)

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2021**

	Notes	R 2021	R 2020
EMPLOYMENT OF CAPITAL			
Fixed Assets	2	70	629
Educational Fund Investment	3	152,047	1,851
Other Investments	4	875,737	581,117
Net Current Assets		76,953	- 55,781
Current Assets		80,806	3,347
Bank & Cash	5	64,548	3,347
Trade Receivables	6	16,258	-
Current Liabilities		3,853	- 59,128
Accounts Payable	7	3,853	- 59,128
Sundry Creditor		-	-
TOTAL EMPLOYMENT OF CAPITAL		1,104,807	527,816
CAPITAL EMPLOYED			
Accumulated Funds		794,083	217,092
Balance at beginning of the year		217,092	431,609
Surplus for the year		576,991	- 214,516
Educational Fund		310,724	310,724
Balance at beginning of the year		310,724	310,724
Interest Received		-	-
Bursary Awards		-	-
TOTAL CAPITAL EMPLOYED		1,104,807	527,816

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	R 2021	R 2020
Income		673,554	561,447
Entrance fees		42,947	3,044
CPD Validation			3,348
Interest and dividends received		12,984	8,373
Subscriptions		418,836	394,662
Sundry Income		156,957	214,158
Fairvalue adjustment on Investments		41,832	-
			62,138
Expenditure		96,563	775,960
Advertising, Marketing & Promotional		-	2,000
Accounting & Audit fees		39,189	3,537
Bursaries			113,324
CPD Validation Expenses		10,925	-
Computer Expenses		8,681	9,721
Depreciation		559	559
Entertainment Expenses			4,759
General Expenses		21,407	75,025
Grants to branches			-
SARS Penalties and Interest			2,159
Meeting Expenses			3,509
Postage		1,082	745
Small assets written off			-
Salaries and Wages			544,006
Secretarial fee and establishment charges		5,070	-
Stationery and printing		87	4,199
Subscription fees		9,562	5,999
Travel and subsistence			6,418
Surplus/(Deficit) for the year		576,991	-
Surplus at the beginning of the year		217,092	431,609
Surplus at the end of the year		794,083	217,092

**THE INSTITUTION OF CERTICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	R 2021	R 2020
Cash flows from operating activities			
Operating surplus		576,991	- 214,513
Adjustments for :			
Depreciation and other non-cash items		559	559
Investment income	-	12,984	- 8,373
Working capital charges	5 -	62,981	21,618
Cash (utilised in) generated from operating activities		501,585	- 200,709
Investment income		12,984	8,373
Net cash (utilised in) generated from operating activities		514,569	- 192,336
Cash flows from investing activities	-	444,819	174,159
Decrease/(Increase) in Educational Fund Investment	-	150,196	17,000
Decrease/(Increase) in other investments	-	294,623	157,159
Fixed assets acquired		-	-
Net cash (utilised in) generated from investing activities		69,750	- 18,177
Cash flows from financing activities			
Increase/(Decrease) in Financing activities	-	130,951	- 23,700
Net (decrease)/increase in cash and cash equivalents	-	61,201	- 41,877
Cash and cash equivalents at beginning of period	-	3,347	38,530
Cash and cash equivalents at end of period	6 -	64,548	3,347

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting Policies

The financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the Institution which are consistent with those of previous years. These statements have been prepared in accordance with South African General Accepted Accounting Principles

(a) Property, plant and equipment

Furniture and fittings and office equipment are stated at historical cost and depreciation is calculated to write off the cost on the reducing basis over their expected useful lives.

The depreciation rate applicable to each category of property, plant and equipment are as follows :

- Furniture and fitting	20%
- Office equipment	33.33%
- Computer Equipment	50.00%

(b) Revenue Recognition

Revenue is generally recognised when it is probable that economic benefits will flow to the Institution and the amount of revenue in respect of the transaction can be measured reliably.

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Notes	R 2021	R 2020
2. Property, plant and equipment		
- Furniture and fittings		
Cost at the beginning of the period	22,610	22,610
Accumulated depreciation at beginning of period	- 20,863	- 20,863
Carrying value at the beginning of the period	629	1,188
Additions during the year	-	-
Depreciation for the year	- 559	- 559
Carrying value at the end of the year	70	629
Cost at the end of the year	22,610	22,610
Accumulated Depreciation at the end of the year	- 22,540	- 21,422
- Office Equipment		
Cost at the beginning of the period	86,629	86,629
Accumulated depreciation at beginning of the period	- 86,629	- 86,629
Carrying value at the beginning of the period	-	-
Additions during the year	-	-
Depreciation for the year	-	-
Carrying value at the end of the year	-	-
Cost at the end of year	86,629	86,629
Accumulated Depreciation at the end of the year	- 86,629	- 86,629
Total carrying value at the end of the year	70	629

**THE INSTITUTION OF CERTIFICATED MECHANICAL AND
ELECTRICAL ENGINEERS SOUTH AFRICA**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	R 2021	R 2020
3. Educational Fund Investments			
Call Account - FNB 62442692978		152,047	1,851
		<u>152,047</u>	<u>1,851</u>
4. Other investments			
32 Day Account - FNB 74002514046		302,531	197,568
Dormant Accounts - FNB - 74401371732		3	-
Old Mutual Unit Trust - 7109435		425,378	383,546
Nedbank Investor - 278090449998		147,825	-
		<u>875,737</u>	<u>581,114</u>
5. Cash and Cash Equivalents			
Cash and cash equivalents consists of cash on hand and balances with bank. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts			
Current Accounts - FNB - 50393026406		64,549	3,347
Cash on Hand		-	-
Bank and cash Balances		<u>64,549</u>	<u>3,347</u>
6. Trade Recievables			
The above amount refers to fees that have not been paid as at 31, December 2021. There is uncertainty on the recovery of fees.			
Trade Recievables		16,258	-
Trade Recievables		<u>16,258</u>	<u>-</u>
7. Trade and other payables			
Income Received in Advance		-	62,376
Staff Loans		-	-
VAT Control Account		3,853	3,248
Trade and other Payables balance		<u>3,853</u>	<u>- 59,128</u>