



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA



ESTATE AGENCY AFFAIRS BOARD
OF SOUTH AFRICA

PRESENTATION OVERVIEW



- **STRATEGIC OVERVIEW**
- **ORGANISATIONAL STRUCTURE**
- **OPERATIONAL OVERVIEW**
- **INTERGRATED HUMAN CAPITAL**
- **CORPORATE GOVERNANCE**
- **ANNUAL PERFORMANCE REPORT**
- **EAAB CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**
- **EAAB AUDITORS REPORT**
- **EAFF FINANCIAL STATEMENTS**
- **EAAB AUDITORS REPORT**

STRATEGIC OVERVIEW



The Estate Agency Affairs Board (“EAAB”) was established in 1976 in terms of the Estate Agency Affairs Act, 112 of 1976 (“the Act”), with the mandate to regulate and control certain activities of estate agents in the public interest. The EAAB regulates the estate agency profession by ensuring that all persons carrying out the activities of an estate agent as a service to the public are registered with the EAAB. A fidelity fund certificate, which is to be renewed each year, is issued as evidence of such registration and confirmation that such person is legally entitled to carry out the activities of an estate agent.

A core function of the EAAB is to manage and control the Estate



THE MANDATE OF THE EAAB

The primary mandate of the EAAB

- (a) Regulate, maintain and promote the standard of conduct of estate agents having due regard to the public interest;
- (b) Issue fidelity fund certificates to qualifying applicants;
- (c) Prescribe the standard of training of estate agents;
- (d) Investigate complaints against estate agents and institute disciplinary proceedings against offending estate agents where required; and
- (e) Manage and control the Estate Agents Fidelity Fund.

The primary mandate of the EAAB

STRATEGIC OVERVIEW...cont



VISION

To be a sound and trusted world class regulator.

MISSION

Ensure the integrity of the transaction between the estate agent and consumer is of a high standard by regulating, protecting, guiding and enhancing the conduct of the real estate agents' profession in South Africa.

VALUES

STRATEGIC OVERVIEW...cont



- **Integrity:** the quality of adhering to the highest moral principles and professional standards;
- **Responsibility:** the authority to make decisions independently and to be accountable for actions taken;
- **Transparency:** to remove all barriers to - and the facilitation of free and easy stakeholder access to the Board's operations;
- **Excellence in service delivery:** to exceed client expectations in service delivery;
- **Communication:** the effective exchange of information in such a manner that there is a mutual understanding;
- **Participation:** the involvement of all relevant stakeholders in what the EAAB does;
- **Professionalism:** maintaining performance standards and



STRATEGIC OBJECTIVES AND GOALS

- To improve compliance to the Estate Agency Affairs Act;
- To increase consumer education by inculcating an awareness of the EAAB and its role and services;
- To effectively and efficiently manage the EAAB;
- To effectively and efficiently control and manage the Fidelity Fund; and
- To build capacity of key stakeholders.

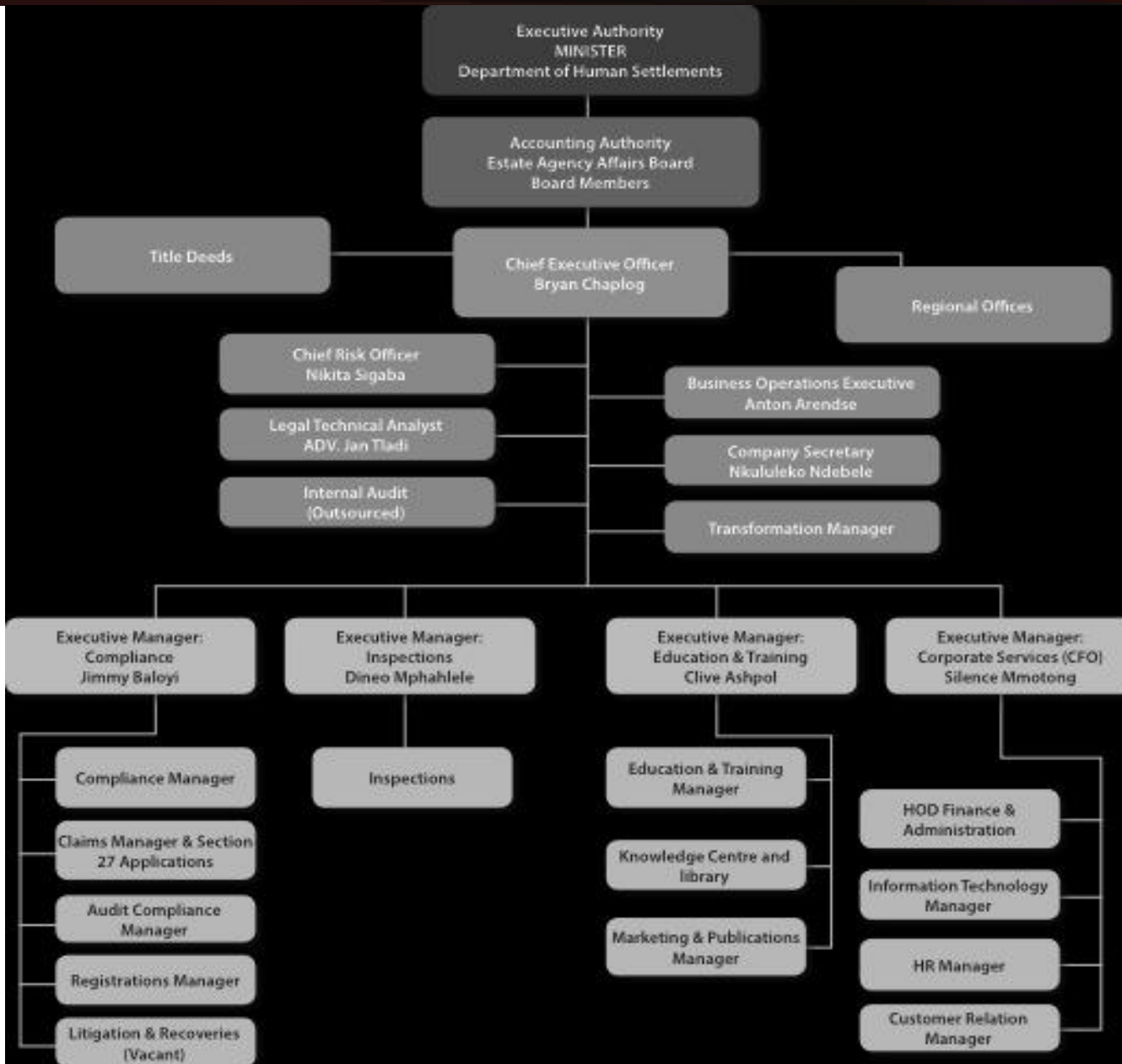


LEGISLATIVE MANDATES

The EAAB is a schedule 3A public entity in terms of the Public Finance Management Act, 1 of 1999. The EAAB must always remain aware of, and comply with, legislation impacting on its functioning. Other relevant legislation includes, but is not limited to:

- The South African Constitution;
- The Estate Agency Affairs Act, 112 of 1976;
- The Preferential Procurement Framework Act of 2000;
- The Financial Intelligence Centre Act, 38 of 2001;
- The Labour Relations Act, 66 of 1995;
- The SA Qualifications Authority Act, 58 of 1995;

ORGANISATIONAL STRUCTURE



OPERATIONAL OVERVIEW

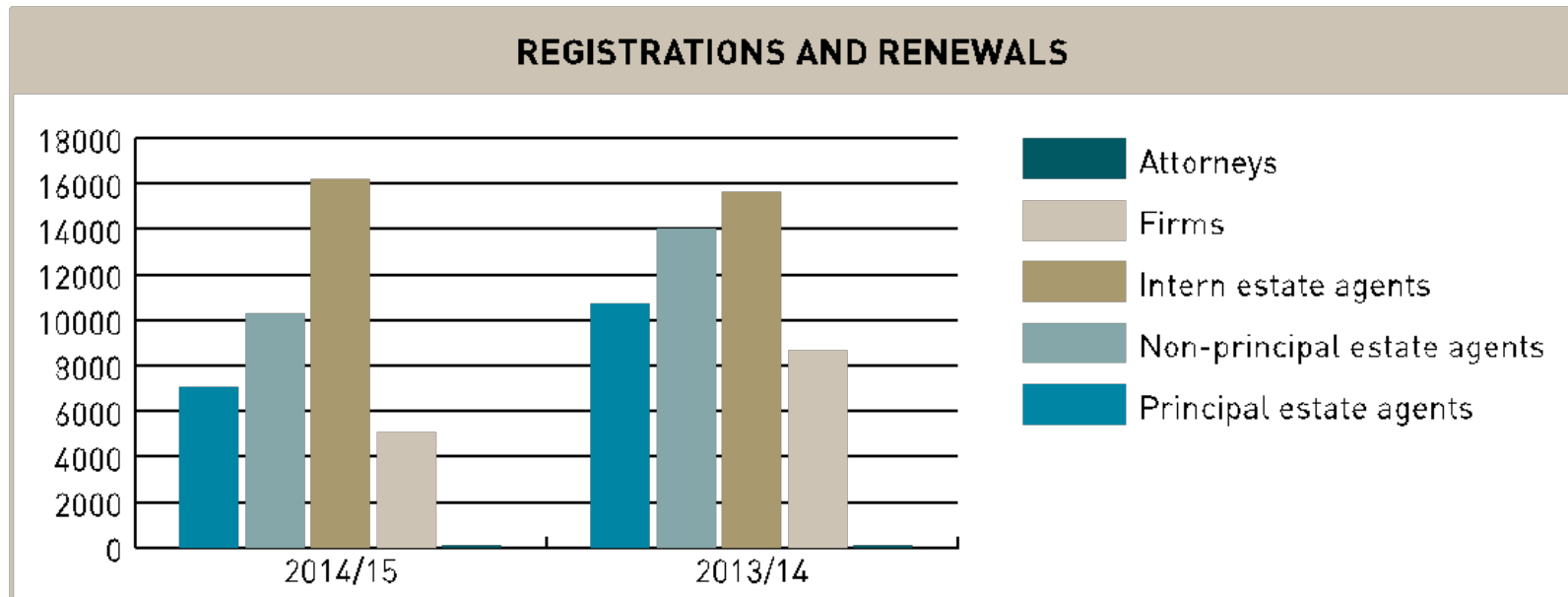


COMPLIANCE

Registrations and Renewals

CATEGORY	31 March 2015	31 March 2014
Principal estate agents	7 094	10 757
Non-principal estate agents	10 274	14 013
Intern estate agents	16 224	15 671
Firms	5 057	8 708
Attorneys	104	89
TOTAL	38 753	49 238

REGISTRATIONS AND RENEWALS



OPERATIONAL OVERVIEW...cont



EDUCATION AND TRAINING

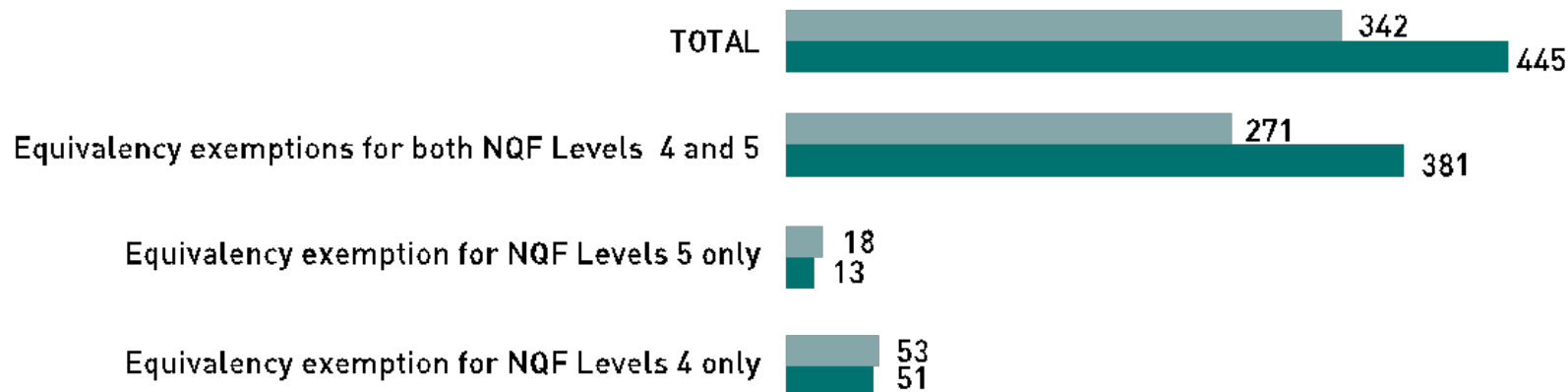
Equivalency Exemption based on academic achievements

Equivalency exemption applications assessed and granted

CATEGORY	31 March 2015	31 March 2014
Equivalency exemptions for NQF Level 4 only	51	53
Equivalency exemption for NQF Level 5 only	13	18
Equivalency exemptions for both NQF Levels 4 and 5	381	271
TOTAL	445	342

EQUIVALENCY EXEMPTIONS

■ 31-Mar-14 ■ 31-Mar-15

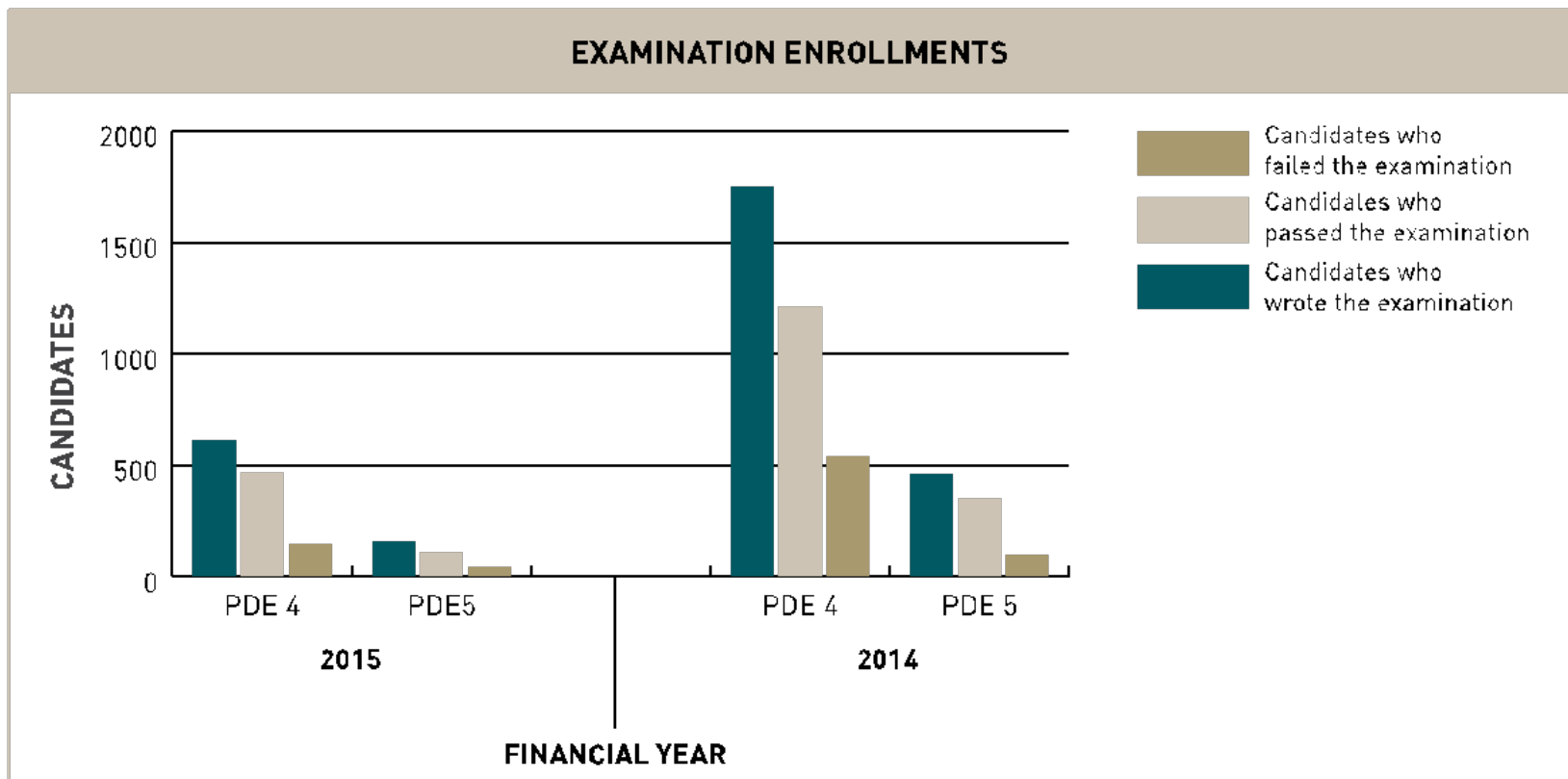


OPERATIONAL OVERVIEW...cont



The Professional Designation Examination (PDE)

CATEGORY	2015		2014	
	PDE 4	PDE 5	PDE 4	PDE 5
Candidates who wrote the examination	614	158	1 750	463
Candidates who passed the examination	467	113	1 215	352
Candidates who failed the examination	147	45	540	100
Pass rate	76%	71%	59%	76%



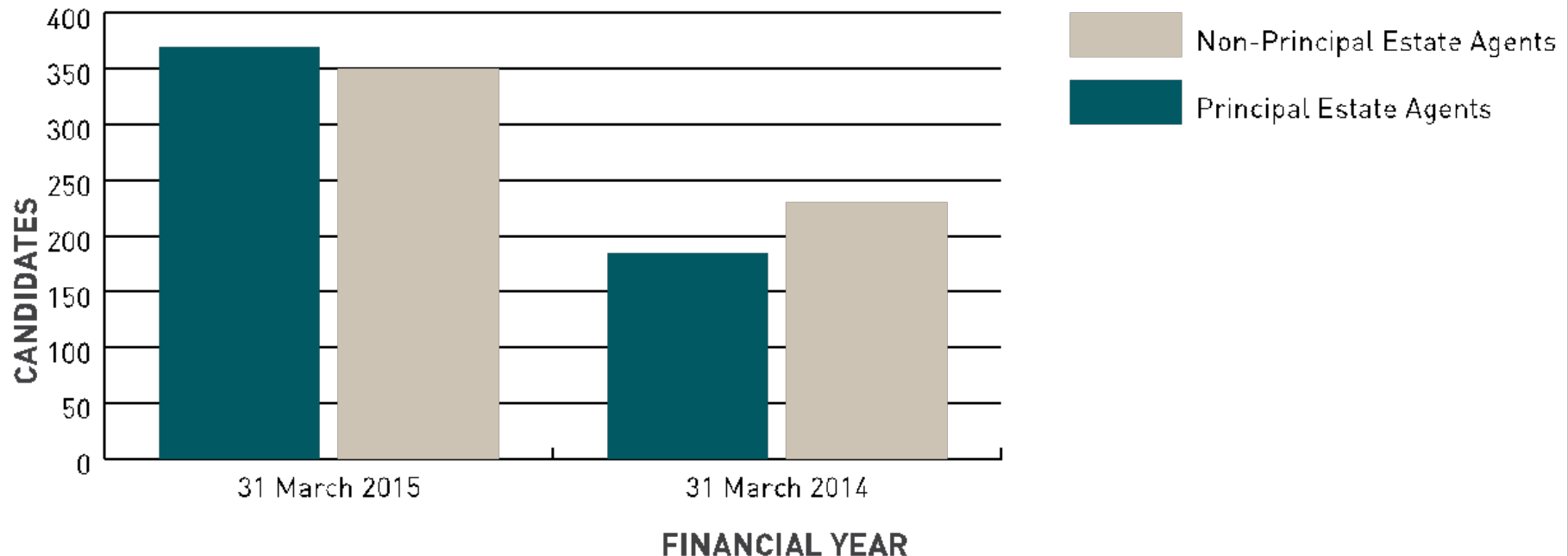
OPERATIONAL OVERVIEW...cont



Exemption of estate agents from the Professional Designation Examination

Statutory exemptions granted		
CATEGORY	31 March 2015	31 March 2014
Principal Estate Agents	370	184
Non-Principal Estate Agents	350	230
TOTAL	720	414

STATUTORY EXEMPTIONS



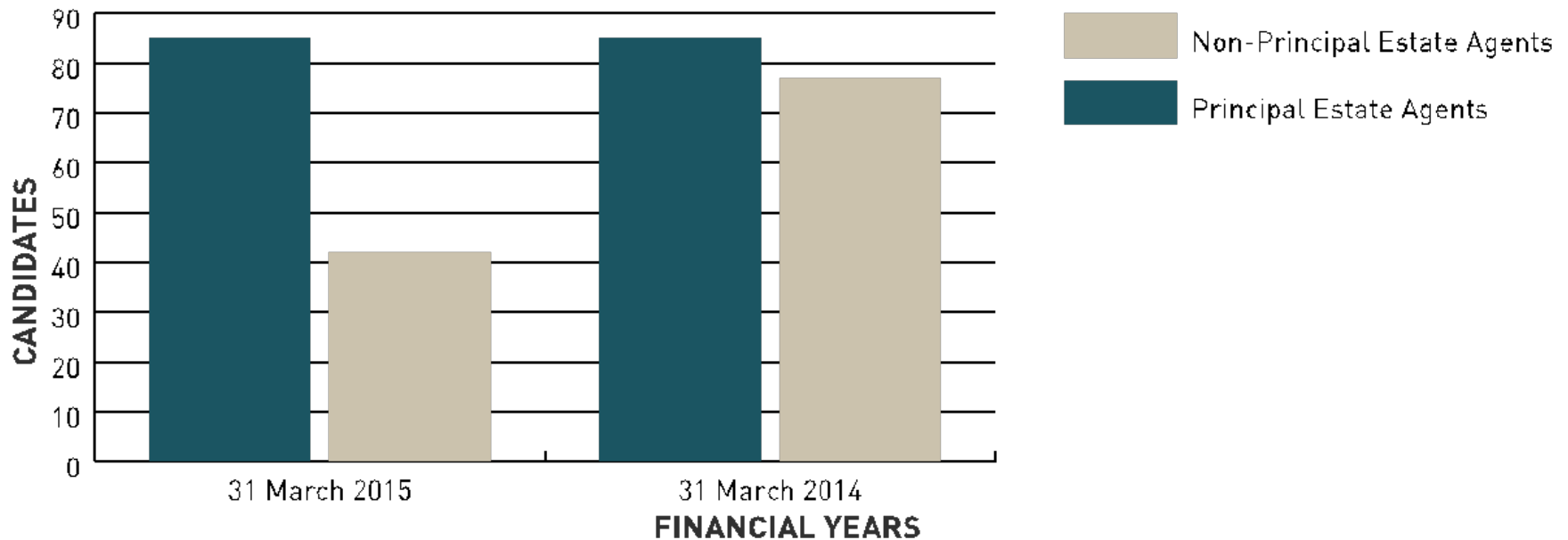
OPERATIONAL OVERVIEW...cont



Exemption of estate agents who are 60 years of age or older from the education requirements

Age - based exemptions granted			
CATEGORY		31 March 2015	31 March 2014
Principal Estate Agents		85	85
Non-Principal Estate Agents		42	77
TOTAL		127	162

AGE - BASED EXEMPTIONS GRANTED

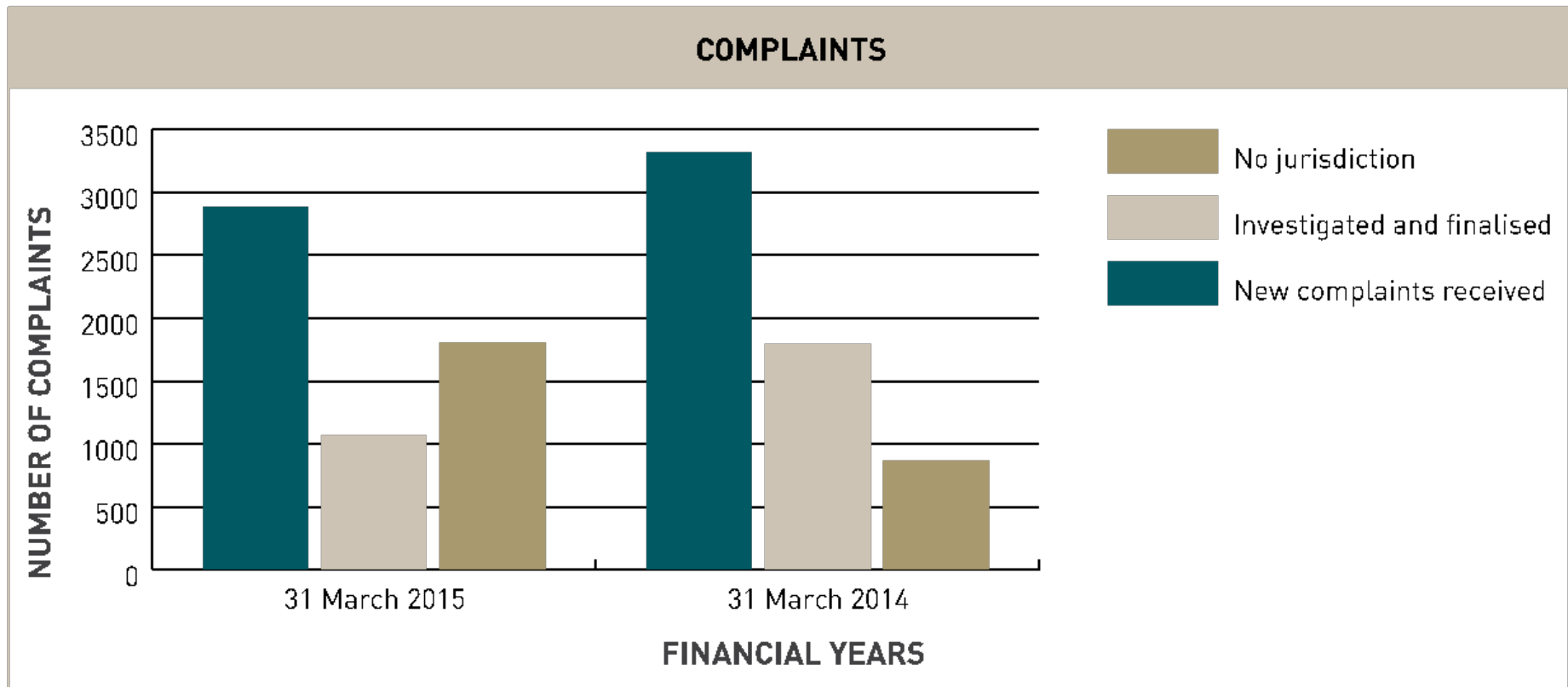


OPERATIONAL OVERVIEW...cont



Complaints Statistics

CATEGORY	31 March 2015	31 March 2014
New complaints received	2 888	3 318
Investigated and finalised	1 076	1 797
No jurisdiction	1 812	868
Pending	736	653



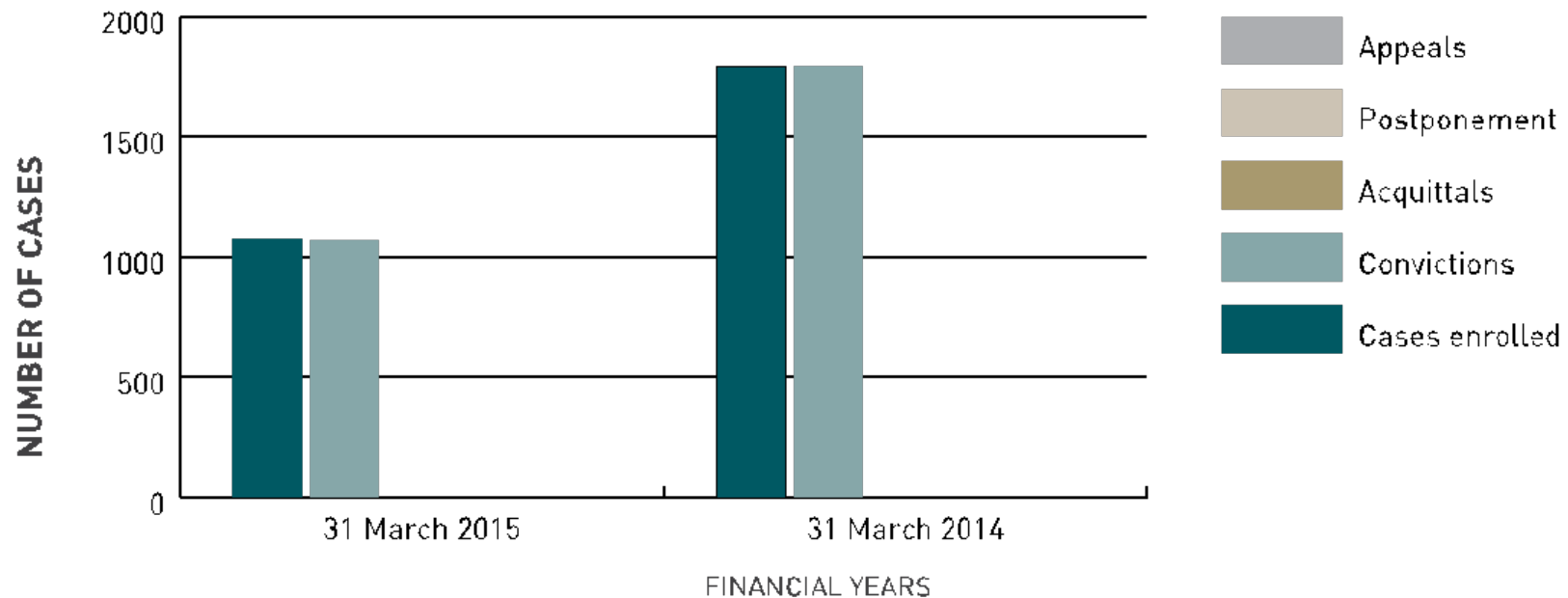
OPERATIONAL OVERVIEW...cont



Disciplinary Hearings

CATEGORY	31 March 2015	31 March 2014
Cases enrolled	1 076	1 797
Convictions	1 072	1 792
Acquittals	4	5
Postponement	0	0
Appeals	0	3

DISCIPLINARY HEARINGS

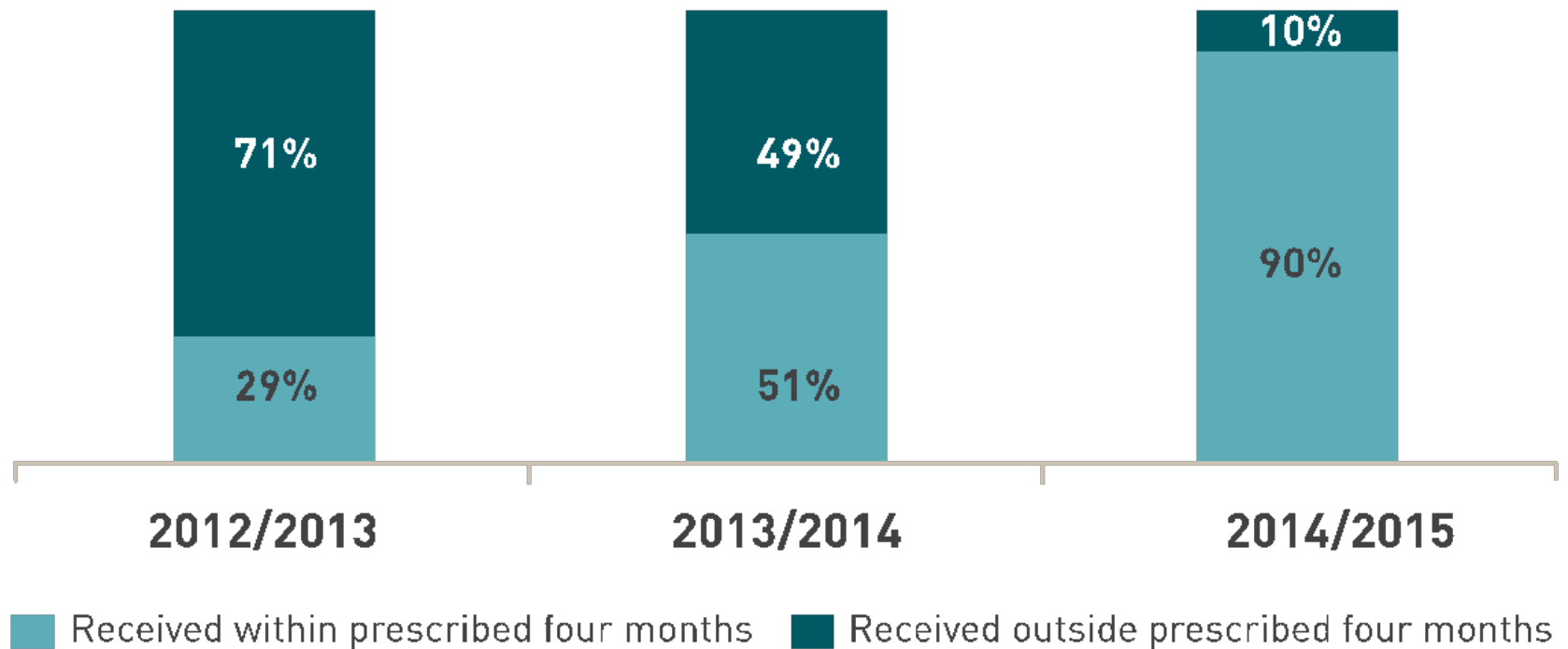


OPERATIONAL OVERVIEW...cont



AUDIT COMPLIANCE

AUDIT REPORTS RECEIVED WITHIN PRESCRIBED TIMEFRAMES VS OUTSIDE PRESCRIBED TIMEFRAME

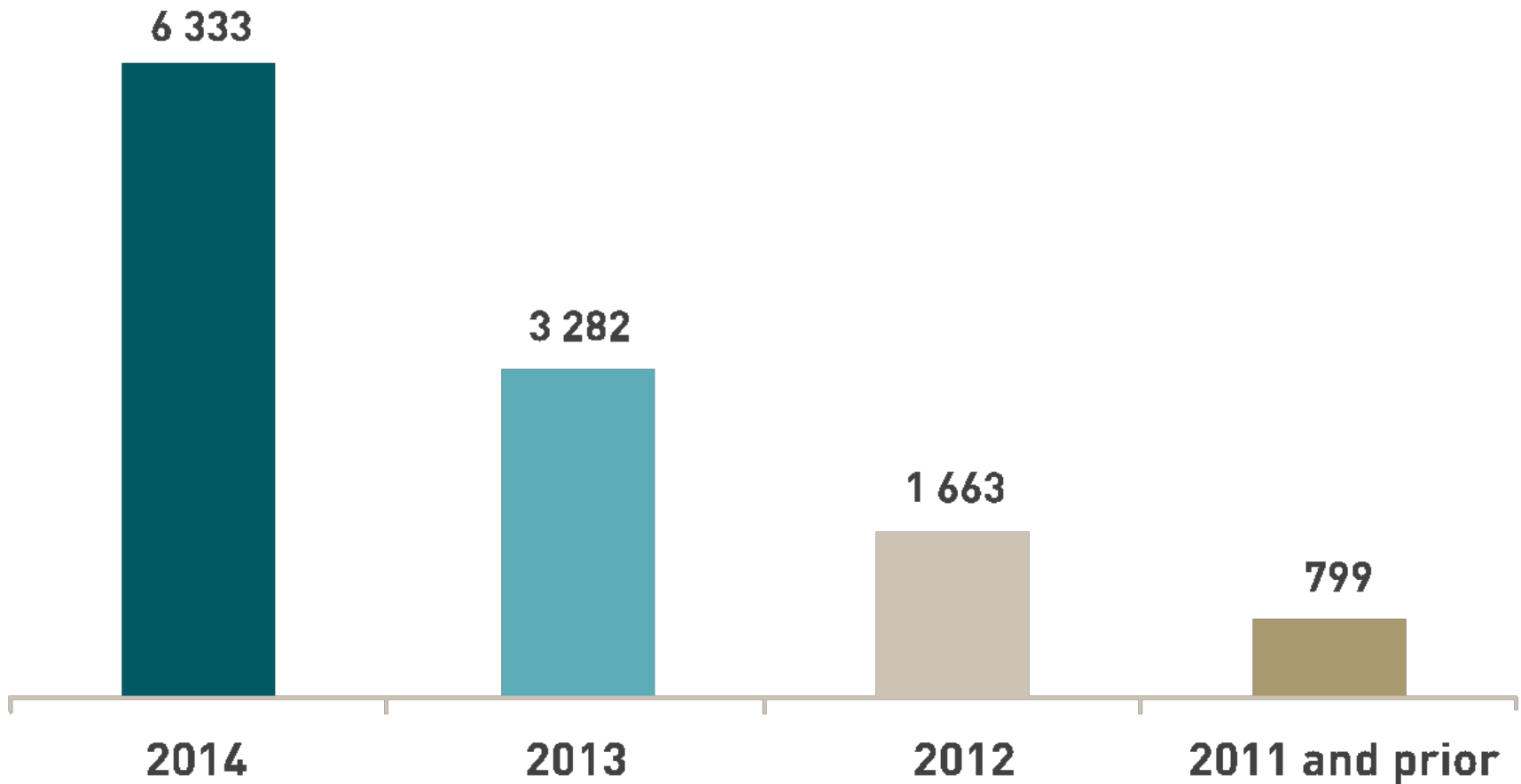


OPERATIONAL OVERVIEW...cont



AUDIT COMPLIANCE

NUMBER OF AUDIT REPORTS RECEIVED IN 2014/15 PER AUDIT YEAR

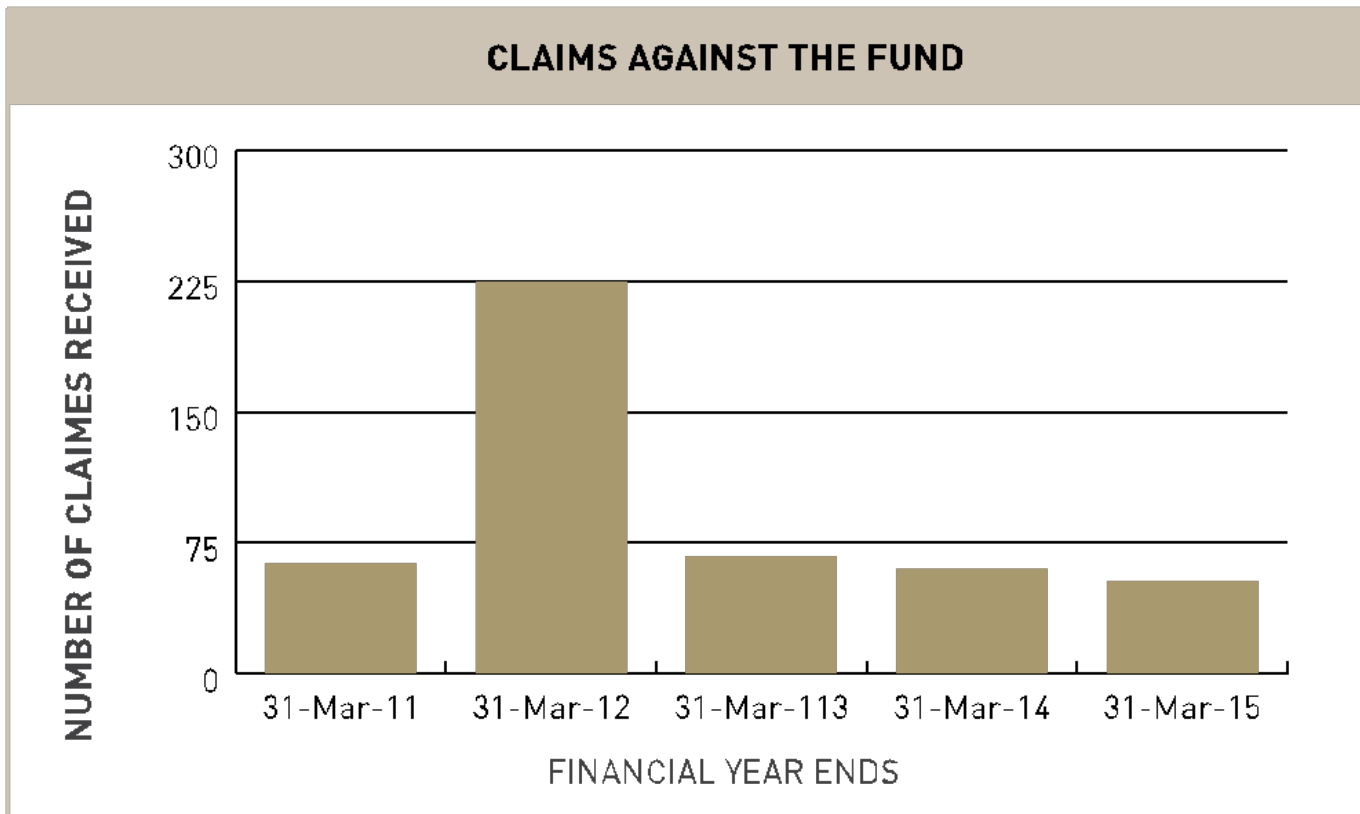


OPERATIONAL OVERVIEW...cont



CLAIMS AND SECTION 27 APPLICATIONS

STATISTICS OF NEW CLAIMS AGAINST THE FUND	2015	2014	2013	2012	2011
Number of claims received	53	60	67	225	63

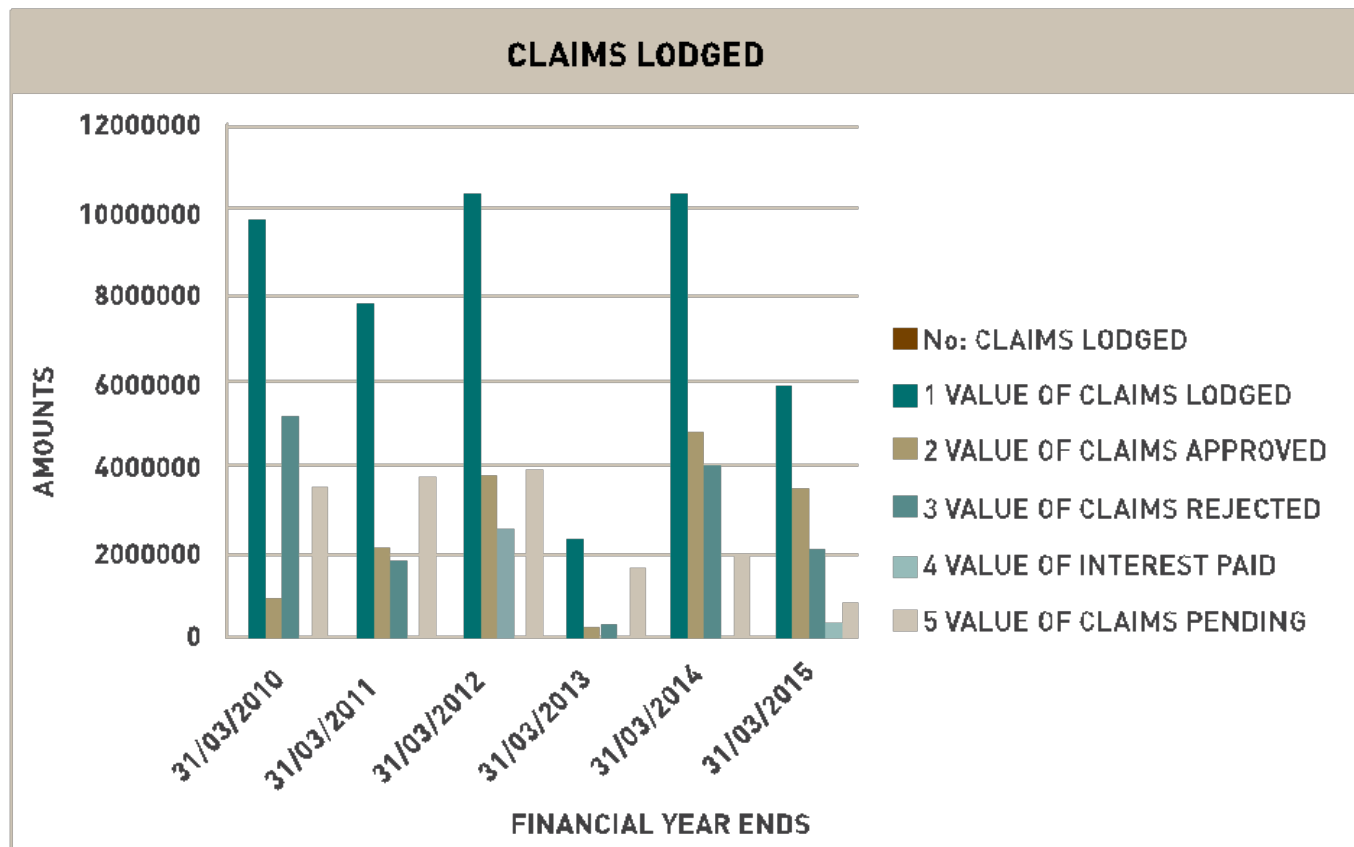


OPERATIONAL OVERVIEW...cont



CLAIMS AND SECTION 27 APPLICATIONS

CLAIMS LODGED						
Claims Statistics (Rand)	31-Mar-15	31-Mar-14	31-Mar-13	31 - Mar 12	31-Mar-11	31-Mar-10
Value of claims lodged	5 947 783	10 447 339	2 352 209	10 461 075	7 852 732	9 815 633
Value of claims approved	3 516 964	4 866 526	288 600	3 849 910	2 198 569	982 217
Value of claims rejected	2 151 043	4 077 828	389 004	2 588 229	1 846 848	5 230 209
Value of claims pending	870 728	2 049 283	1 674 605	4 022 936	3 807 315	3 603 207



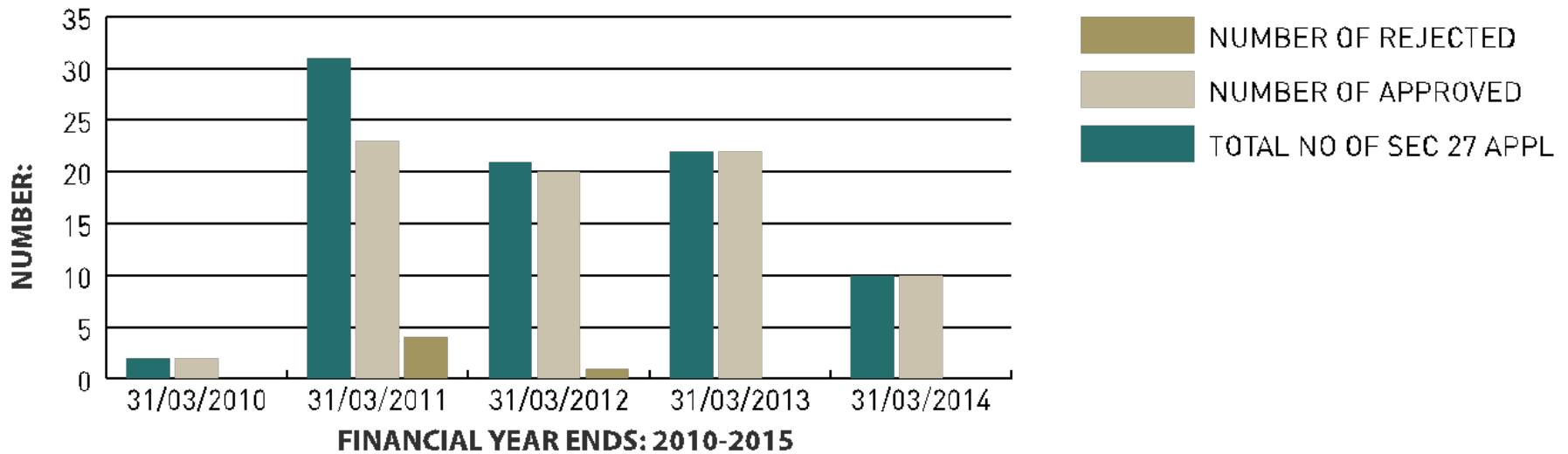
OPERATIONAL OVERVIEW...cont



FORMAL SECTION 27 APPLICATIONS (NON BOARD RESOLUTION)

NO	DESCRIPTION	2010	2011	2012	2013	2014
1	TOTAL NO OF SEC 27 APPL	2	31	21	22	10
2	NUMBER OF APPROVED	2	23	20	22	10
3	NUMBER OF REJECTED	0	4	1	0	0

SECTION 27 FORMAL APPLICATIONS



OPERATIONAL OVERVIEW...cont



INSPECTIONS

Total Number Of Inspections Conducted For 2014/2015

Item no.	Province	Number of inspections per province	Inspections per province as a % of total
1	Eastern Cape	24	2%
2	Free State	10	1%
3	Gauteng	365	36%
4	Kwazulu-Natal	81	8%
5	Limpopo	66	6%
6	Mpumalanga	149	15%
7	Northwest	84	8%
8	Northern Cape	32	3%
9	Western Cape	214	21%
	TOTAL	1025	100%

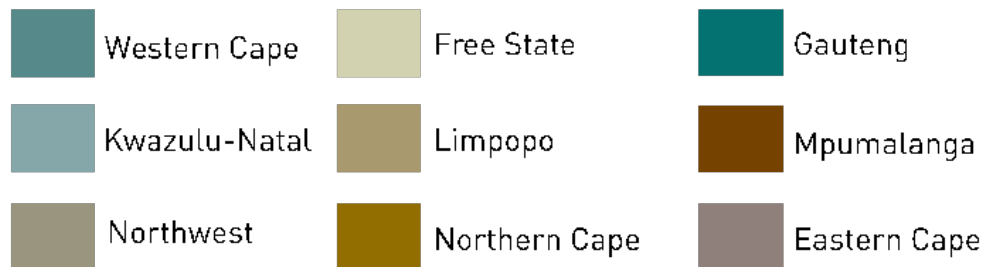
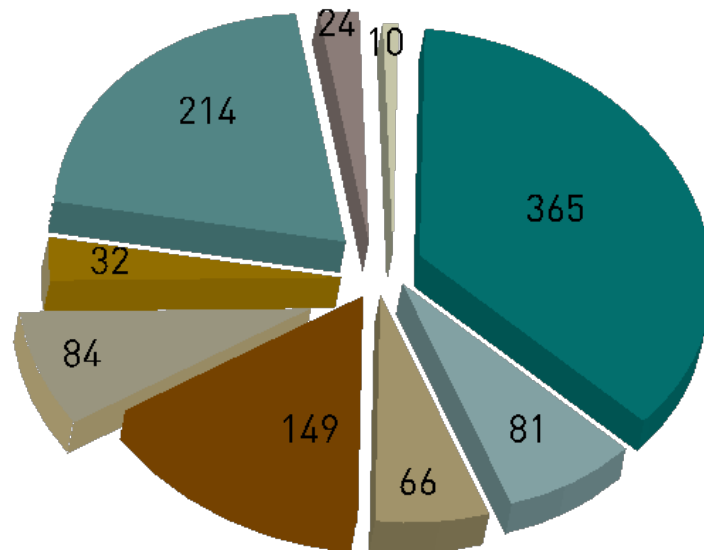
OPERATIONAL OVERVIEW...cont



INSPECTIONS

Total Number Of Inspections Conducted For 2014/2015

NUMBER OF INSPECTIONS PER PROVINCE



OPERATIONAL OVERVIEW...cont



INSPECTIONS

	Province	§ 26 – FFC	§ 32(1) – Trust account(s)	§ 32(2)(a) – Trust Investment account(s)	§ 32(2)(c) - Interest on trust monies	§ 32(2)(e) – Retention of trust monies	§ 32(3) – Trust accounting records	§ 32 (7) - Cessation of practice	§ 29(b) – Audited accounting records	Contracts - regulation 4.1.2	Contracts - sole mandates	§ 34A - Invalid FFC's & Remuneration	§ 34B – Contracts sign off by interns	Not available for inspection	Unannounced Inspection - Supporting documents not submitted
1	Eastern Cape	5	6	2	3	-	1	1	1	-	-	1	1	-	-
2	Free State	1	3	2	1	-	1	1	1	-	-	-	-	-	1
3	Gauteng	51	56	10	14	10	38	19	93	1	3	5	6	-	-
4	Kwazulu-Natal	12	22	9	6	1	9	2	7	7	5	3	1	1	1
5	Limpopo	3	5	2	3	2	-	-	2	-	2	1	2	-	-
6	Mpumalanga	30	20	5	9	-	23	1	30	9	2	-	4	-	-
7	Northwest	7	10	1	1	-	3	-	4	-	-	2	1	-	-
8	Northern Cape	2	2	2	-	-	-	-	-	-	-	-	-	-	-
9	Western Cape	13	9	10	2	1	7	2	12	-	-	2	1	-	-
	Total	124	133	43	39	14	82	26	150	17	12	14	16	1	2

OPERATIONAL OVERVIEW...cont



INSPECTIONS

	Province	S 43B & Reg 27A - Registration	S 43(b) - Duty to appoint a compliance officer	S 21 Duty to identify clients	S 22 - Duty to keep records	S 23 - Period for which records are kept	S 24 & Reg 20 - Records kept by third party	S 28 Regs 22B, 22C & 24 - Cash transaction above threshold R25 000	S 29 & Regs 23 & 24 - Suspicious and unusual transactions	S 42 & Regs 25,26&27 - Internal rules
1	Eastern Cape	1	0	0	0	1	3	1	1	4
2	Free State	2	0	0	1	0	1	0	0	0
3	Gauteng	39	18	12	34	13	1	6	9	31
4	Kwazulu-Natal	4	0	1	2	2	1	1	1	4
5	Limpopo	0	0	0	1	1	1	1	1	2
6	Mpumalanga	7	2	5	4	1	0	2	9	27
7	Northwest	2	1	1	0	0	0	0	0	1
8	Northern Cape	0	0	0	0	0	0	0	0	0
9	Western Cape	3	0	1	0	0	0	0	1	2
		58	21	20	42	18	7	11	22	71

INTEGRATED HUMAN CAPITAL MANAGEMENT



HUMAN RESOURCE OVERSIGHT STATISTICS

Employment and vacancies

Programme	2013/14 No. of employees	2014/15 Approved posts	2014/15 No. of employees	2014/15 Vacancies	% of Vacancies
CEO's office	7	21	11	10	47%
Compliance	34	47	41	6	12%
Education & Training	7	14	12	2	14%
Corporate services	25	37	31	6	16%
Total	74	119	95	24	20%

Salary Bands	2013/14 No. of employees	2014/15 Approved posts	2014/15 No. of employees	2014/15 Vacancies	% of Vacancies
Top Management	7	9	8	1	11%
Senior Management	8	13	10	3	23%
Professional qualified	1	11	9	2	18%
Skilled	6	14	9	5	35%
Semi- Skilled	48	68	55	13	19%
Unskilled	4	4	4	0	0%
Total	74	119	95	24	20%

INTEGRATED HUMAN CAPITAL MANAGEMENT



HUMAN RESOURCE OVERSIGHT STATISTICS

Employment equity status

Skills Level	AFRICAN MALE		COLOURED MALE		INDIAN MALE		WHITE MALE	
	EAAB staff	EE Target	EAAB staff	EE Target	EAAB staff	EE Target	EAAB staff	EE Target
Top Management	5	5	2	1	0	0	0	1
Senior Management	4	3	0	0	0	0	0	1
Professional qualified	3	3	0	0	0	0	0	1
Skilled	2	5	0	1	1	1	0	0
Semi-skilled	14	12	0	1	0	1	0	0
Unskilled	2	0	0	0	0	0	0	0
Total	30	28	2	3	1	2	0	3

INTEGRATED HUMAN CAPITAL MANAGEMENT



HUMAN RESOURCE OVERSIGHT STATISTICS

Employment equity status

Skills Level	AFRICAN FEMALE		COLOURED FEMALE		INDIAN FEMALE		WHITE FEMALE	
	EAAB staff	EE Target	EAAB staff	EE Target	EAAB staff	EE Target	EAAB staff	EE Target
Top Management	1	2	0	0	0	0	0	0
Senior Management	4	4	0	0	0	1	2	0
Professional qualified	5	3	0	0	1	0	0	1
Skilled	6	11	0	2	0	0	0	1
Semi-skilled	38	19	2	2	1	0	0	4
Unskilled	2	0	0	0	0	0	0	0
Total	56	39	2	4	2	1	2	6

CORPORATE GOVERNANCE



Governance Statement

Committee	Number of members	Number of meetings
Board	15	5
Chairmen's Committee	10	3
Audit, Risk and Finance Committee	8	6
HR and Remuneration Committee	6	7
Education and Training Committee	8	3
Legal and Claims Committee	6	8
Social and Ethics Committee	8	2

ANNUAL PERFORMANCE REPORT - 2014/15



PROGRAMME 1: COMPLIANCE

PROGRAMME 1: COMPLIANCE

Strategic Objectives

- To improve compliance with the Estate Agency Affairs Act.

PROGRAMME	KEY PERFORMANCE INDICATOR	Actual Achievements 2013/2014	Planned Targets 2014/2015	Actual Achievements 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015 (under)/over performance	Comment on deviations below target.
Disciplinary	Number of complaints received investigated and resolved	634	1200	1023	(177)	The number of complaints raised amounted to 2858. The enforcement department was fully capacitated for three quarters of the financial year.
Inspection	Number of inspections performed	800	1452	1107	(345)	The inspection department was fully capacitated for one quarter of the financial year.
Licensing	Number of new registration FFC issued	12484	8715	6004	(2711)	The new education and training requirement has reduced the number of new entrants into the Estate Agency sector.
	Number of renewals FFC issued	34729	52500	32900	(19600)	EAAAB was more stringent in issuing Fidelity Fund certificates to Estate Agents which did not submit their Audit reports on time.
	Percentage of previously disadvantaged estate agents receiving licences	N/A	5%	15%	10%	target achieved

ANNUAL PERFORMANCE REPORT - 2014/15



PROGRAMME 2: CORPORATE SERVICES

PROGRAMME 2: CORPORATE SERVICES

Strategic Objectives

- To increase stakeholder awareness of the FAAB and its stakeholders
- To effectively and efficiently manage the FAAB

PROGRAMME	KEY PERFORMANCE INDICATOR	Actual Achievements 2013/2014	Planned Targets 2014/2015	Actual Achievements 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015 (under)/over performance	Comment on deviations
Stakeholder awareness	Consumer awareness campaigns performed	13	20	22	22	Target achieved.
	Estate Agency capacity building campaigns performed	22	16	30	14	Target achieved
	Number of agent magazine issued	4	4	4	0	Target achieved
Administration	Number of internal and external audit observations raised	N/A	8	20	12	Internal audit findings were mainly raised for the Enforcement and Compliance departments
	Number of Board meetings held	N/A	6	5	(1)	No special Board meeting was held during the financial period.
	Percentage of vacancy at EXCO and MANCO	N/A	10%	3%	7%	Target achieved
	Percentage of implementation of ICT strategy	N/A	90%	80%	(10%)	ICT involved in CPD implementation project more than expected
	Percentage of queries received from stakeholders and resolved within 48 hours	N/A	85%	93%	8%	Target achieved

ANNUAL PERFORMANCE REPORT - 2014/15



PROGRAMME 3: FIDELITY FUND

PROGRAMME 3: FIDELITY FUND

Strategic objective

- To improve the sustainability of the Fidelity Fund

PROGRAMME	KEY PERFORMANCE INDICATOR	Actual Achievements 2013/2014	Planned Targets 2014/2015	Actual Achievements 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Fidelity Fund Growth	Value of claims approved	R3,051,254	Maximum of R5,618,000	R3 588 179	(2 029 821)	Target achieved
	Interest received from Estate Agents Trust account	R17,085,869	R23,246,000	R27 712 420	4 466 420	Target achieved
	Percentage of claims recovered by Fidelity Fund	R0	30%	0%	(0%)	There is a difficulty in recovering claims as Estate Agents are mostly untraceable at the time of recovery.

ANNUAL PERFORMANCE REPORT - 2014/15



PROGRAMME 4: EDUCATION AND TRAINING

PROGRAMME 4: EDUCATION AND TRAINING

Strategic Objectives

- To build capacity of key stakeholders

PROGRAMME	KEY PERFORMANCE INDICATOR	Actual Achievements 2013/2014	Planned Targets 2014/2015	Actual Achievements 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Education and Training	Number of NQF Level 4 candidates enrolled and passed PDE 4	1266	1500	472	(1028)	Estate Agents have delayed the enrollment to sit the exam as the due date to obtain the relevant qualification is set for the 30th of June 2015.
Education and Training	Number of NQF Level 5 candidates enrolled and passed PDE 5	337	200	127	(73)	Estate Agents have delayed the enrollment to sit the exam as the due date to obtain the relevant qualification is set for the 30th of June 2015.
Education and Training	Number of candidates enrolled for the CPD	0	1600	8691	7091	Target achieved

**The Estate Agency Affairs Board and its
controlled entity**

Consolidated and Separate Financial Statements
for the year ended 31 March 2015

INDEPENDENT AUDITORS REPORT



Opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Estate Agency Affairs Board as at 31 March 2015 and financial performance and cash flows for the year then ended, in accordance with Generally Recognised Accounting Practices and the requirements of the Public Finance Management Act, 1 of 1999 of South Africa.

Emphasis of Matter

INDEPENDENT AUDITORS REPORT



Material losses (through criminal conduct) / impairments

As disclosed in note 9 to the financial statements, material losses to the amount of R8 835 358 and R131 512 were incurred as a result of the impairment of trade debtors and loss due to criminal activities by employees respectively.

Additional matters

The Estate Agency Affairs Board provided supplementary information in the financial statements on whether resources were obtained and

STATEMENT OF FINANCIAL POSITION



	Notes	Group		Board	
		2015	2014	2015	2014
		R	R	R	R
Assets					
Current Assets					
Inventories	8	129,051	364,084	129,051	364,084
Loan fund - Fidelity Fund	5	-	-	12,497,297	21,868,156
Financial assets	6	508,651,316	474,168,938	-	1,354,526
Trade and other receivables from exchange transactions	9	5,390,983	8,636,566	2,272,462	3,940,115
Cash and cash equivalents	10	133,431,521	161,429,725	48,024,523	33,935,752
		647,602,871	644,599,313	62,923,333	61,462,633
NonCurrent Assets					
Property, plant and equipment	3	73,595,565	73,376,614	73,595,565	73,376,614
Intangible assets	4	2,322,679	2,054,808	2,322,679	2,054,808
		75,918,244	75,431,422	75,918,244	75,431,422
Total Assets		723,521,115	720,030,735	138,841,577	136,894,055
Liabilities					
Current Liabilities					
Trade and other payables	12	31,976,390	31,313,679	22,867,954	20,647,509
Provisions	11	5,287,132	3,905,614	3,950,657	2,648,169
Current portion of postretirement medical aid liability	7	401,000	385,000	401,000	385,000
		37,664,522	35,604,293	27,219,611	23,680,678

STATEMENT OF FINANCIAL POSITION



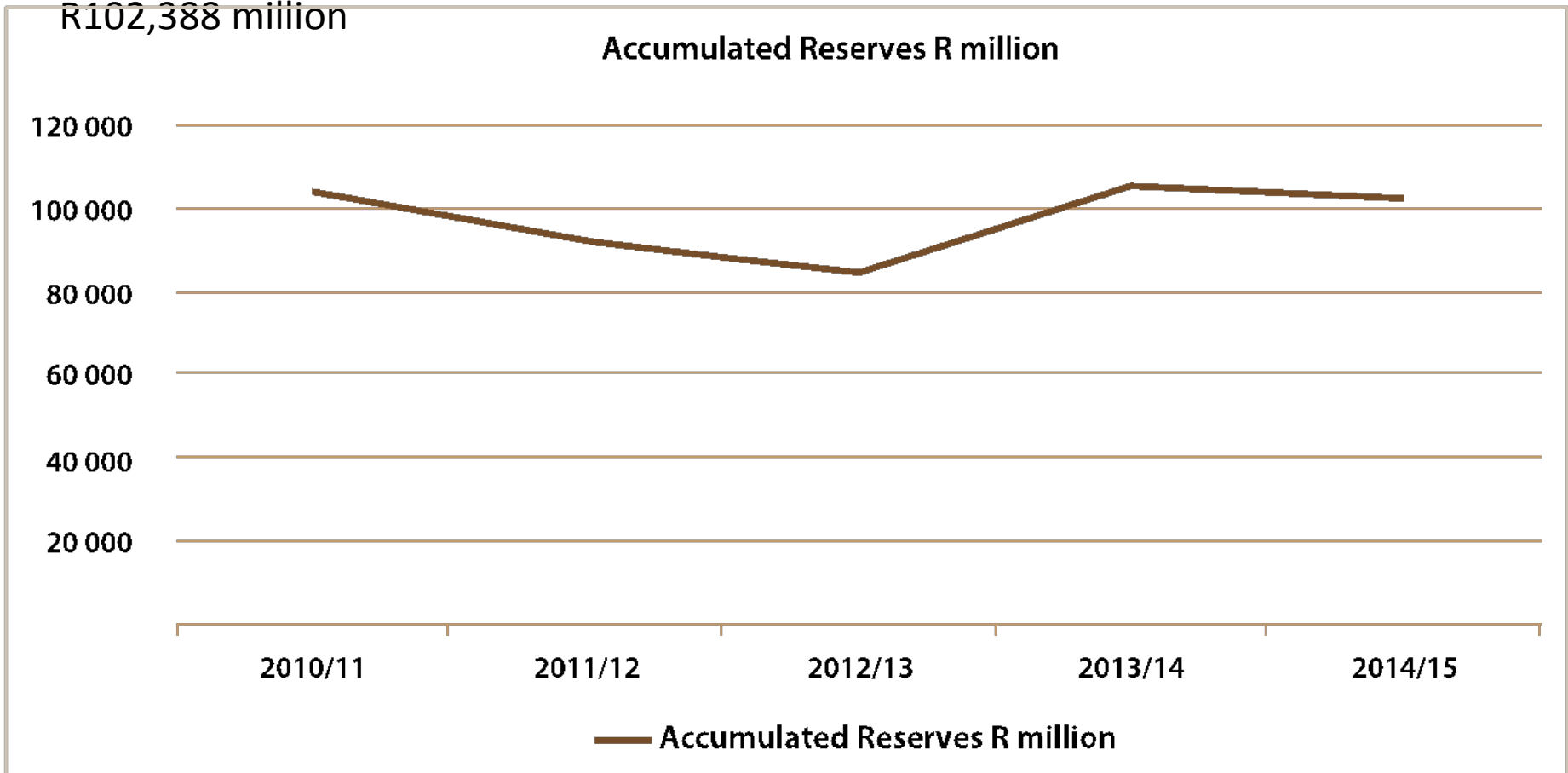
	Notes	Group		Board	
		2015	2014	2015	2014
		R	R	R	R
Non-Current Liabilities					
Post retirement pension fund liability	7	1,655,000	806,000	1,655,000	806,000
Noncurrent portion of postretirement medical aid liability	7	7,579,000	7,417,000	7,579,000	7,417,000
		9,234,000	8,223,000	9,234,000	8,223,000
Total Liabilities		46,898,522	43,827,293	36,453,611	31,903,678
Net Assets		676,622,593	676,203,442	102,387,966	104,990,377
Net Assets					
Accumulated surplus		676,622,593	676,203,442	102,387,966	104,990,377

FINANCIAL OVERVIEW



THE ESTATE AGENCY AFFAIRS BOARD (EAAB)

(b) Capital and reserves grew negatively by -2% from R103,972 million to R102,388 million



FINANCIAL OVERVIEW

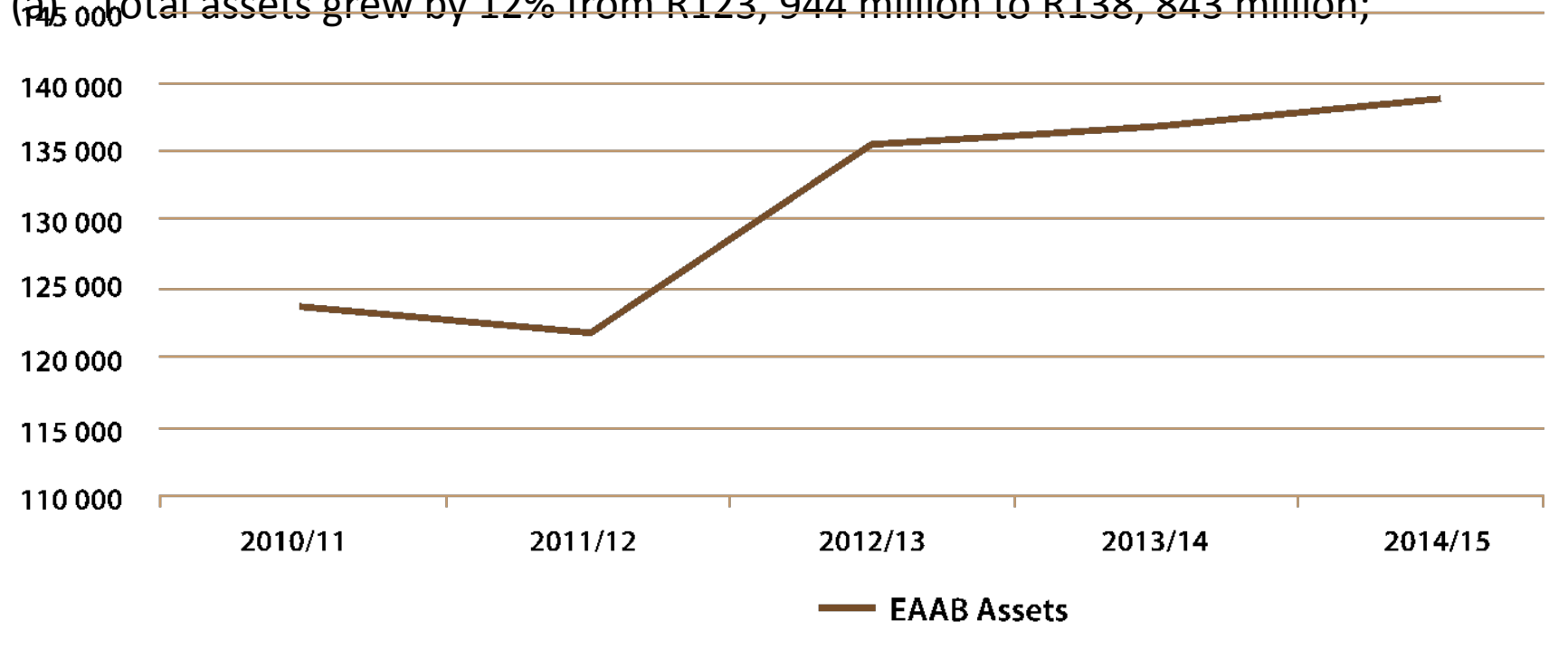


THE ESTATE AGENCY AFFAIRS BOARD (EAAB)

A financial overview of the five (5) year period ended 31 March 2015 reveals the following key achievements:

Total Assets R million

(a) Total assets grew by 12% from R123, 944 million to R138, 843 million;



STATEMENT OF FINANCIAL PERFORMANCE



	Notes	Group		Board	
		2015	2014	2015	2014
		R	R	R	R
Revenue from exchange transaction	13	98,257,784	76,550,074	80,584,625	71,071,487
Other Income	14	15,329,375	14,047,276	11,486,369	94,392,271
Operating expenses		(51,631,623)	(50,677,042)	(33,747,389)	(31,892,783)
Auditors remuneration		(1,046,482)	(1,461,166)	(1,046,482)	(1,461,166)
Depreciation and amortisation		(3,210,602)	(2,347,825)	(3,210,602)	(2,347,825)
Employee costs	15	(57,259,623)	(36,559,806)	(57,259,623)	(36,559,806)
Board members emoluments	22	(1,872,324)	(2,192,516)	(1,872,324)	(2,192,516)
Audit committee emoluments	22	(125,429)	(156,775)	(125,429)	(156,775)
Impairment loss	16	(8,954)	-	(8,954)	-
Operating (deficit) surplus		(1,567,878)	(2,797,780)	(5,199,809)	5,899,887
Investment income		1,876,472	2,204,486	2,486,842	2,878,904
Gain on disposal of noncurrent assets		110,557	-	110,557	-
Surplus (deficit) for the year		419,151	(593,294)	(2,602,410)	8,778,791

STATEMENT OF CHANGES IN NET ASSETS



	Accumulated surplus	Total net assets
	R	R
Group		
Balance at 01 April 2013	676,796,736	676,796,736
Deficit for the year	(593,294)	(593,294)
Balance at 01 April 2014	676,203,442	676,203,442
Surplus for the year	419,151	419,151
Balance at 31 March 2015	676,622,593	676,622,593
Board		
Balance at 01 April 2013	96,211,586	96,211,586
Surplus for the year	8,778,791	8,778,791
Balance at 01 April 2014	104,990,376	104,990,376
Deficit for the year	(2,602,410)	(2,602,410)
Balance at 31 March 2015	102,387,966	102,387,966

ESTATE AGENTS FIDELITY FUND

Annual Financial Statements

for the year ended 31 March 2015

INDEPENDENT AUDITOR'S REPORT



Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Estate Agents Fidelity Fund as at 31 March 2015 and financial performance and cash flows for the year then ended, in accordance with Generally Recognised Accounting Practices and the requirements of the Public Finance Management Act, 1 of 1999 of South Africa.

Emphasis of Matter

We draw attention to the matter below. My opinion is not

INDEPENDENT AUDITOR'S REPORT



Material losses impairments

As disclosed in note 4 to the financial statements, material losses to the amount of R7 233 500 were incurred as a result of the impairment of trade debtors.

Additional matters

The Estate Agents Fidelity Fund provided supplementary information in the financial statements on whether resources were obtained and used according to the legally adopted budget, in accordance with

STATEMENT OF FINANCIAL POSITION



		2015	2014
	Notes	R	R
Assets			
Current Assets			
Investments	3	508,651,315	472,814,412
Trade and other receivables from exchange transactions	4	3,118,521	4,696,451
Cash and cash equivalents	5	85,406,997	127,493,974
Total Assets		597,176,833	605,004,837
Liabilities			
Current Liabilities			
Loan Fund - Estate Agency Affairs Board	8	12,497,298	21,868,156
Provisions	6	1,336,475	1,257,445
Other liabilities	7	9,108,436	10,666,173
Total Liabilities		22,942,209	33,791,774
Net Assets		574,234,624	571,213,063
Net Assets			
Accumulated surplus		574,234,624	571,213,063

STATEMENT OF FINANCIAL PERFORMANCE



	Notes	2015 R	2014 R
Revenue from exchange transactions	9	69,082,335	57,731,251
Other income	10	3,843,006	4,608,005
Operating expenses	11	(69,903,780)	(71,711,344)
Operating surplus (deficit)		3,021,561	(9,372,088)
Surplus (deficit) for the year		3,021,561	(9,372,088)

THANK YOU