



MINUTES OF THE FASSET 2023 ANNUAL GENERAL MEETING HELD ON 29 NOVEMBER 2023 AT THE VENUE, MELROSE ARCH JOHANNESBURG

The following members were recorded to be in attendance of the meeting:

MEMBERS

PRESENT	Ms Mamatshiliso Nhlapo	Government Department
	Ms Rofhiwa Singo	Community Organisation
	Mr Xola Lingani	Organised Labour
	Mr Metuse Mbaso	Organised Labour
	Ms Thandi Masemola	Organised Labour (online)
	Mr Nthato Mapiloko	Organised Labour
	Ms Tlakale Phatlane	Organised Labour (online)
	Mr Bongani Mathibela	Organised Employer
	Ms Mopo Mushwana	Organised Employer
	Ms Angel Nyathela-Mahanjana	Organised Employer
	Ms Pumla Ngwenya	Organised Employer
	Mr Peterson Khumalo	Organised Employer
	Mr James Maboja	Organised Employer
IN ATTENDANCE	Ms Ayanda Mafuleka	CEO
	Mr Zakariya Alli	CFO
	Ms Nokulunga Mthombeni	DCS
	Mr Makabongwe Siziba	CIO
	Ms Faith Ngwenya	FASSET WC Deputy Chairperson
DHET	Mr ZC Mvalo	Deputy Director General (DHET)
	DDG Zungu,	TVET sector
	Ms Olwethu Nyewe	Director at National Skills Authority,



ARC MEMBERS	Ms Malande Tonjeni	Independent ARC Chairperson
	Mr Vernon Makaleni	Independent ARC Member
	Adv Manasoe Matime	Independent ARC Member
	Mr John Raphela	Independent ARC Member

STAKEHOLDERS PRESENT	Ms. Olwethu Nyewe	Director NSA
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APOLOGIES

Dr Charles Motau	ICT SteerCo Chairperson
Mr John Raphela	ARC Independent Member

SECRETARIAT	Adv Tom Mabaso	Acting Company Secretary
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There were stakeholders and beneficiaries who attended the meeting however we could not list all stakeholders in attendance. Their presence was acknowledged by FASSET.

The meeting commenced at 16h15.

ITEM S	DESCRIPTION	ACTION OWNER
1.	MEETING OPENING	
1.1.	NATIONAL ANTHEM	

Members and all attendees were required to stand and observe a moment of meditation.

1.2. WELCOME, APOLOGIES AND INTRODUCTION OF GUESTS

- a) The Master of Ceremonies, Ms Mopo Mushwana, welcomed all present to FASSET's 23rd Annual General Meeting. Amongst those present included Director General from the Department of Higher Education and Training, Auditor- General of South Africa, the FASSET Board and Board Committee members, FASSET employees, Sector Employers, Professional Bodies, SETAs, and other stakeholders.

1.3. CONSTITUTION OF MEETING

The meeting was declared to be properly constituted in line with section 15 of the Finance and Accounting Services Sector Education and Training Authority Constitution (paragraph 1 of 4).

2. APPROVAL OF PREVIOUS MEETING MINUTES

2.1. MINUTES OF PREVIOUS AGM MEETING HELD ON 29 NOVEMBER 2023

- a) The Interim Board Chairperson Mr Bongani Mathibela took the meeting through the minutes of the previous AGM held on the 29th of November 2022. The minutes were approved as a true reflection of the discussions that took place.

RESOLUTION 01 OF 29 NOVEMBER 2023

The minutes of the previous AGM held on the 29TH of November 2023 were adopted as a true reflection of the proceedings with no amendments.

3. CHAIRPERSON'S ADDRESS

- ✓ The Interim Board Chairperson of the FASSET Board Mr Bongani Mathibela welcomed all the stakeholders at the 23rd FASSET AGM.
- ✓ The Interim Board Chairperson further thanked all attendees attending FASSET's AGM. The objective of the meeting was to reflect on the activities of the institution and to take stock of what had been achieved during the previous financial year; 2022/2023.
- ✓ The Interim Board Chairperson briefly highlighted the 90% performance achieved by FASSET and thanked the Board for supporting the management of FASSET in attending to its responsibility and creating an supportive environment for management.
- ✓ The Interim Board Chairperson also advised the attendees that FASSET has partnered with several stakeholders in ensuring transformation for previously disadvantaged groups is realised as well as making it a priority that women were not left outside of the transformation in the financial services sector across South Africa.
- ✓ The interim Board Chairperson in aligning the SETA with the National Skills Development Plan, highlighted that FASSET has accordingly aligned with the NSDP broader vision. This vision calls upon all SETAs to develop "An Educated, Skilled and Capable Workforce for South Africa". Additionally, it says amongst others, that, as SETAs including the National Skills Funds and National Skills Authority, that there is a

collective contribution to workplace placement, skills development and other interventions that seek to upskill the existing workforce. In addition to this, FASSET is expected to support the national priorities.

- ✓ The Interim Board Chairperson further informed the attendees that FASSET, in alignment with the NSDP vision, seeks to ensure that the Finance and Accounting services sector has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development.'
- ✓ Regarding the transformational challenges within the sector, the Interim Board Chairperson highlighted that FASSET is making strides in ensuring optimum transformation and to this end, there are a number of catalytic programmes that we are funding to bring this to light.
- ✓ Over and above the target of highest number of black intakes in our programmes, we have over the past 3 years strengthened our focus on Female Executive Development programmes. FASSET has partnered with various implementing partners to achieve milestones that have been set.
- ✓ The Interim Board Chairperson further highlighted that recent reports show that there is still concerning racial disparity in South Africa's chartered accountancy realm. Only 8,610 (17%) of the +51 000 registered CAs are black. This calls for FASSET and the entire finance sector to continue to invest in programmes such as Board Exam Camps as an example, in this instance targeting Black South Africans.
- ✓ Regarding the economic reconstruction and recovery plan, AGM attendees were informed that FASSET continues to contribute meaningfully towards supporting the government priorities and that the Economic Reconstruction and Recovery Plan (ERRP) is supported

through increased number of beneficiaries within workplace learning programmes and internships.

- ✓ The Interim Chairperson concluded his address by thanking FASSET management and its employees for their hard work during the previous year, implementing partners.

4. CHIEF EXECUTIVE OFFICER'S ADDRESS

The CEO Ms Ayanda Mafuleka warmly welcomed all the attendees to FASSET's 23rd Annual General Meeting extending warm greetings to all stakeholders. Amongst them being the National Skills Authority, AGSA, DHET senior managers , chairperson's of FASSET Board Committees and Board Interim Chairperson and the entire FASSET Board , special guest for the day and beneficiary of the Thandulwazi Maths, Accounting and English programme, Ms Jessica Badiata and FASSET Management.

The CEO informed the AGM that, in the year 2022/2023, FASSET had committed to creating a conducive environment for all stakeholders which is why this seating was themed "Prioritising a Stakeholder-Centred Approach in Skills Development".

The CEO continued to highlight the achievements of the financial year under review is as follows:

- ✓ FASSET achieved an overall 90% of its strategic targets in the APP indicating a 90% overall performance. This was an increase of more than 100% when compared to the 2020/2021 financial year.
- ✓ The CEO further informed the AGM that FASSET has drastically grown its numbers in all its official social media pages.

- ✓ Regarding TVET and CET support, the AGM was informed that FASSET has forged strategic partnerships with TVET and CET colleges.
- ✓ FASSET accelerated its support to CET colleges through provision of infrastructure to Limpopo, Kwa-Zulu-Natal and Northern Cape.
- ✓ FASSET has supported the CET colleges through Skills Programmes that empowered the students with entrepreneurial and finance skills. Further to this, interventions also included Adult Education Training.
- ✓ The AGM was informed that a total of 26 ICT Hubs were established in the period under review, the ICT Hubs are fully equipped with 30 laptops each, which amounts to 780 laptops in total.
- ✓ The CEO further highlighted that FASSET further donated 500 laptops to assist learners in enhancing their digital skills and bridge the gap of transitioning into the world of work.
- ✓ Regarding the women's legacy programme, the AGM was informed that 109 women have since graduated with the target being 2000 by the completion of the programme in 2025.
- ✓ With a strategic partnership with the Graca Machel Trust, FASSET further committed to train 600 women led SMMEs through the Women Creating Wealth Programme.
- ✓ Regarding FASSET bursary; the CEO highlighted that the number of unemployed learners who entered a bursary programme in the 2022/2023 financial year was set for 1200 learners, however 1254 was achieved. The target was achieved as more learners were approved due to an additional budget allocation taken from surplus funding.
- ✓ The number of TVET College learners who were awarded bursaries was set for 300 and once again FASSET overachieved by 25 beneficiaries with a total of 325 supported.

- ✓ Regarding FASSET's Lifelong Learning (LL); the programme's objective is to upskill and reskill employees within the FAS Sector to remain abreast with the ever-changing world of work.
- ✓ The Lifelong Learning Programme took a more focused approach during the 2022/2023 financial year, presenting on Information Technology (IT) updates that affect the sector and other related topics such as, tax updates, reporting standards, and governance.
- ✓ Professional Bodies were instrumental in the execution of this programme as it was conducted with finesse.
- ✓ In the past three years reaching the LL target had been like climbing a mountain, however in the 2022/2023 financial year the target was overachieved by 2643 learners supported against a set target of 24 500 learners.
- ✓ Regarding the academic support and internship programme, the CEO advised the AGM that the 2022/2023 financial year saw a reallocation of the capital which was invested in the Academic Support Programme. This was done to remedy the disadvantaged that learner.

In closing the CEO thanked all attendees, FASSET Executive management team, and its employees as well as the DHET and Board for guidance.

5. PRESENTATION OF THE 2022/23 ANNUAL INTEGRATED REPORT

5.1. AUDITED ANNUAL FINANCIAL INFORMATION AND FASSET ANNUAL BUDGET

The Chief Financial Officer Mr Zakariya Alli presented the Annual Financial Statements for the year ended 31 March 2023.

- ✓ The CFO further assured the AGM that the Audited Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999). Accounting policies are in accordance with the Skills Development Act, Act No 97 of 1998, as amended and the Skills Development Levies Act, Act No 9 of 1999, as amended.
- ✓ The AGM was advised that Audited Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

Depicted below is the summary of FASSET's financial information for the year ended 31 March 2023.



The total grant expenditure for the 2022/23 financial period was

R548 Million

As a result, the net surplus for the period is R 136 Million.



The commitment balance as at the end of the financial period is

R726 Million

which is 90% of the current accumulated surplus.



Asset balances, R 1010 Million of which

R1002 Million

is bank and cash balances.



Unqualified audit with no material adjustments (Clean audit) for 2 consecutive years.



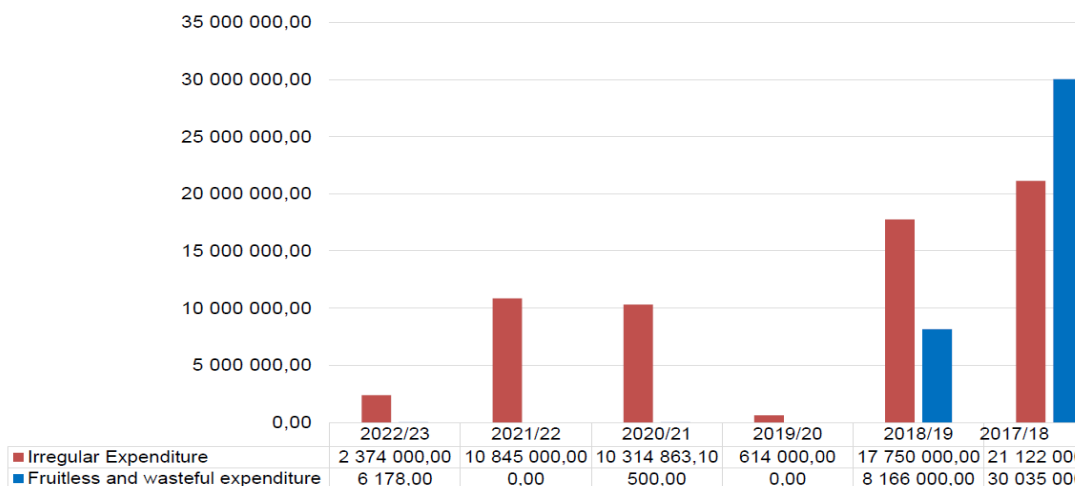
R207 Million

liabilities recognised at the end of the financial period.

Highlights

March 2023

Irregular and Fruitless Expenditure



The CFO thanked the Board and its Committees, especially the FINCO and ARC Committee as well as the Auditor General of South Africa, executive management of FASSET and the entire Finance and Supply Chain Management team.

6. AUDITOR GENERAL OF SOUTH AFRICA REPORT

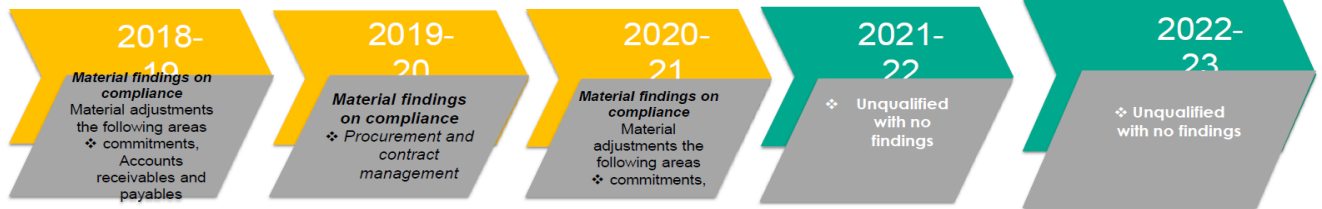
Ms Kgabo Komape Business Executive at AGSA presented the outcomes of 2022/23 financial year commending the institution for improving from the previous results and for implementing mostly of the recommendations of the previous year.

The AGM was informed that FASSET has achieved a clean audit opinion for the financial year 2022/23 and the AGSA further encouraged FASSET to continue on this trajectory of improving its performance both on financial and non-financial performance.

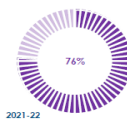
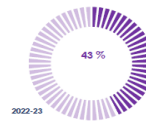
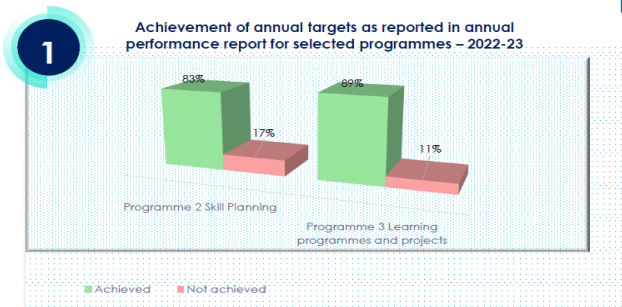
Below is some highlights from the AGSA;-

Audit outcomes over five years

35



Employer Grants and project expenditure budget vs Actual expenditure



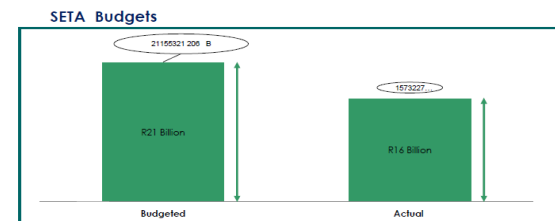
Insights

- ❖ The current financial year has seen a significant drop in spending on employer grants and project expenditure compared to the budgeted amount. This is mainly due to the delayed implementation of DG grants.
- ❖ This can have a negative impact on the implementation of the seta programmes, such as skills development, learnership, bursaries and grants

Insights : Optimal utilization of resources and inefficiencies the SETAs

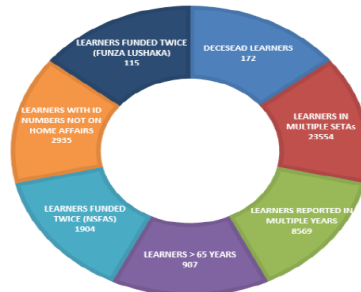
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Department	Amount
Higher Education and Training	R130 billion



Duplication of efforts

- ❖ Learners receiving skills development funding from more than 1 source (SETAs, NSFAS and Funza Lushaka)
- ❖ Learners in multiple SETAs
- ❖ Learners reported in multiple years



Inefficiencies

- ❖ Deceased learners
- ❖ Learners with ID numbers not on the home affairs system (invalid ID)
- ❖ Payments to companies deregistered on CIPC.

Opportunities

- ❖ Opportunity to explore what the NSF should focus on as they are meant to bridge the gap between what is covered by the SETAs and market needs
- ❖ Opportunity for enhanced collaboration of the quality assurance entities and entire portfolio, this will further ensure that the AGSA audit is well networked.

To maintain clean audit outcome it recommended that the SETA

37

Intensify the strengthening and improvement of the contract management so as to ensure that there are no gaps in drafting contracts and monitoring them.



Strengthening of controls around monitoring of projects and collating of supporting evidence..

The execution of daily and monthly controls over management of projects must be consistent and quick action must be taken where there are deficiencies identified.

Develop and implement an information system environment that is responsive to business needs and not vulnerable to external or internal attacks. Importantly corroboration with other SETAs



7. CLOSING REMARKS AND VOTE OF THANKS

On behalf of the Interim Board Chairperson Mr Bongani Mathibela, programme director Ms Mopo Mushwana once again thanked all stakeholders including Board Members, DHET leadership and FASSET management for a well-planned and attended FASSET 23rd Annual General Meeting.

Signed on this as a true record of the proceedings at _____.

Mr Bongani Mathibela

BOARD INTERIM CHAIRPERSON

FASSET

DATE