SOUTH AFRICAN HAJJ & UMRAH COUNCIL

SUMMARISED ANNUAL REVIEW OF ACTIVITIES AND
AUDITED FINANCIAL STATEMENTS FOR 2021 - 2022 / 1442 -1443

HAJJ 2022 | 1443 AH

All Praise and thanks are due to ALLAH (SWT) and salutations upon our beloved Master, Nabi Muhammad (SAW).

Following the easing of Covid-19 restrictions and the opening of travel, South African pilgrims were allowed to enter the Kingdom of Saudi Arabia to perform Hajj – albeit a reduced quota that was seen worldwide.

We make shukar to ALLAH (SWT) for bringing us through the trying times of the past two years and remember those of our families and loved ones who are no longer with us may ALLAH grant them the everlasting Mercy in Jannah In Shaa Allah.

Sadly we record the passing of one of our colleagues – ***Fariet Moosa***, a friend and volunteer who served the guests of ALLAH (SWT) on the Hajj Mission – May ALLAH (SWT) grant him the highest stages of Jannah and forgive him for any shortcomings In Shaa Allah.

HAJJ 2022 | 1443 AH QUOTA 1132 PILGRIMS

The quota was received late and with the Grace of ALLAH (SWT), we managed to fill the (1132) spaces and all pilgrims departed on time for the Hajj journey.

The Application and accreditation process for Hajj has been and is working well and members of the public were accredited for Hajj 2022 | 1443 AH on a date and time priority – thereby enforcing a fair, equitable and transparent process as we have done over the past years.

FUTURE HAJJ PROCESSES

The future of the Hajj administration may change – however, we are confident that the process for access to visas will remain intact until the Ministry of Hajj and Umrah streamline their process and downstream structures.

Our communication with the Kingdom of Saudi Arabia, DIRCO and other role players remains on point to bring information back to our intending pilgrims about any changes that might affect your planning for Hajj.

http:// COMING SOON...

SAHUC is almost complete with its restructuring of the application and accreditation portals which will enhance the user experience when interacting with us.

Accreditation for Hajj 2023 | 1444 AH will only take place once SAHUC has met with the Ministry of Hajj and Umrah and after finalising the rules and procedures of the upcoming Hajj.

I would be failing in my duty if I did not mention that the Board members and the NGC members of SAHUC who serve the Hujjaj on a voluntary basis with the intent of streamlining and smoothing the process for the Guests of ALLAH (Hujjaj).

May ALLAH (SWT) accept from you and shower you with HIS Mercy and Blessings In Shaa Allah.

SHAHEEN AYUB ESSOP
PRESIDENT SAHUC

HIGHLIGHTS FOR THE YEAR

Follow us!

#SAHUC #FOLLOWUS #HAJJ 2022 | 1443 AH

Alhamdulillah, we had the opportunity to share the **#FOLLOWUS #HAJJ Campaign** on social media platforms.

Providing insight; images & video's during the days of Hajj.

SAHUC Field Mission Team Member's.

SAHUC Medical Team.

Mayyit of SAHUC Jeddah coordinator Marhoom Faried Moosa, Janazah salaah was performed in Masjid ul Haram, Makkah.

South African Hujaaj feeding fellow Hajjis in Makkah, Alhamdullilah.

HAJJ AWARENESS PROGRAMMES CONDUCTED IN:

JOHANNESBURG

KWA-ZULU-NATAL

WESTERN CAPE

Alhamdulillah

#HAJJ 2022 | 1443 AH

SAHUC President and members from DIRCO with the Alawi Family in Mina.

South African Hujaaj in Mina prior to pelting during Hajj 2022 | 1443AH.

South African Hujaaj in Mina at the Jamarat for Pelting during Hajj 2022 | 1443AH.

DIRCO members and SAHUC team members walking from Muzdallifah back to Mina during Hajj 2022 | 1443.

South African Hujaaj ready to depart from Azizia after Hajj 2022 | 1443.

SOUTH AFRICAN HAJJ & UMRAH COUNCIL

SUMMARISED ANNUAL REVIEW OF ACTIVITIES AND
AUDITED FINANCIAL STATEMENTS FOR 2021 - 2022 / 1442 -1443

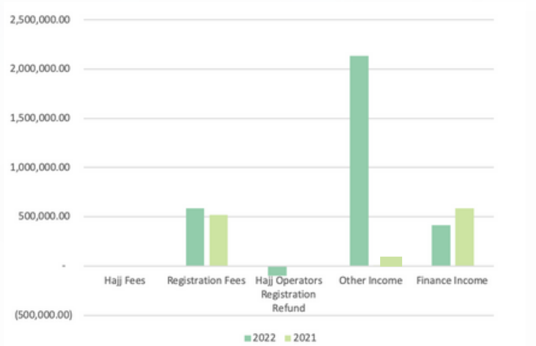
STATEMENT OF FINANCIAL POSITION

Figures in Rand	2022	2021	2020	2019	2018
Assets					
Non-Current Assets	1,874,731	1,663,346	1,587,678	395,314	519,257
Current Assets	15,920,725	16,516,263	22,482,595	17,786,358	13,430,480
Total Assets	**17,795,456**	**18,179,609**	**24,070,273**	**18,181,672**	**13,949,737**
Reserves and Liabilities					
Reserves	**16,100,367**	**14,318,981**	**19,068,522**	**13,769,353**	**8,935,704**
Liabilities	**1,695,089**	**3,860,628**	**5,001,751**	**4,412,319**	**5,014,033**
Non-Current Liabilities	9,161	19,661	-	-	-
Current Liabilities	1,685,928	3,840,967	5,001,751	4,412,319	5,014,033
Total Reserves and Liabilities	**17,795,456**	**18,179,609**	**24,070,273**	**18,181,672**	**13,949,737**

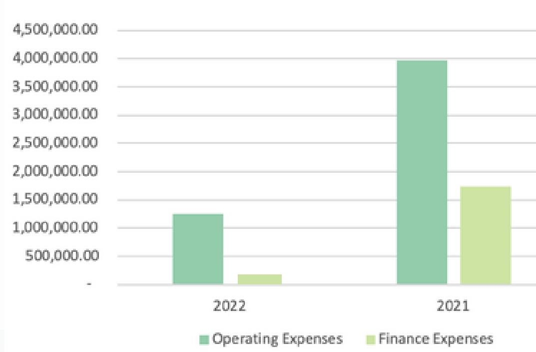
STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	2022	2021	2020	2019	2018
Revenue					
Hajj fees	-	-	5,859,260	5,264,688	3,559,343
Registration fees	586,772	516,942	2,972,247	2,837,906	2,410,994
Hajj operators registration refund	(97,391)	-	-	-	-
Other income	2,132,796	7,500	731,705	125,294	82,152
Finance Income	415,196	583,812	855,372	615,943	430,656
Total Income	**3,037,373**	**1,108,254**	**10,418,584**	**8,843,831**	**6,483,145**
Expenditure					
Operating expenses	(1,254,787)	(3,968,663)	(4,969,170)	(3,859,546)	(3,741,704)
Finance Expenses	(1,200)	(1,739,132)	(245)	(636)	(373)
Total Expenditure	(1,255,987)	(5,707,795)	(4,969,415)	(3,860,182)	(3,742,077)
Surplus /(Deficit) for the year	**1,781,386**	**(4,599,541)**	**5,449,169**	**4,983,649**	**2,741,068**

FINANCIALS FOR FINANCIAL YEAR AS AT 31 MARCH 2022



INCOME BY CATEGORY



EXPENSES BY CATEGORY

NOTES TO THE SUMMARISED AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. The South African Hajj and Umrah Council (SAHUC) is a volunteer based Public Benefit Organisation which is engaged in facilitating the travel of Hujaaj to the Kingdom of Saudi Arabia. The organisation is required to ensure compliance of South African muslim pilgrims going for Hajj in terms of agreements entered into with the Saudi Arabian Ministry of Hajj and Umrah as well as compliance with laws governing these agreements.

   Other related services include:
   - to accredit pilgrims that intend going for Hajj, provide medical and other services during the Hajj period; and
   - to supervise the Hajj operators delivering services to South African pilgrims during the period of Hajj.

   The organisation operates principally in the Republic of South Africa and the Kingdom of Saudi Arabia.

   There were no major changes to the nature of the organisations business from the prior year, however, due to the COVID19 global pandemic, there was no Hajj for the South African pilgrims during 2020 (Hajj 1441) and 2021 (Hajj 1442) which has impacted the operating results of the organisation as no accreditation fees were earned.

   In prior periods the organisation was not registered for Value added taxes (VAT) despite rendering taxable services. During the previous financial year, the organisation had commenced the process of registering for VAT and had quantified the potential obligation to SARS for the period 1 March 2006 to 31 March 2021.

   The organisation had engaged the services of a VAT specialist for performing the computation, registration, submission of all VAT returns and the voluntary disclosure programme (VDP) application. The estimated net VAT liability owing to SARS for the period 1 March 2006 to 31 March 2021 of R 2,202,383 had been recorded as an expense in the 2021 annual financial statements.

   The estimated liability was computed based on the apportionment method, however, management was also exploring an alternate method of computing the potential obligation.

   The estimated obligation had been recorded as a provision in the 2021 annual financial statements.
   At the date of signing off the 2021 annual financial statements, the alternate computation had not been finalised and accordingly a provision had been raised based on the apportionment method.

   Interest amounting to R 1,739,132 had been computed on the outstanding VAT and was recorded as an expense in the 2021 annual financial statements and included in note 14.
   Accordingly a total provision of R 3 824 648 was recognised in the 2021 annual financial statements. This resulted in the organisation reflecting a deficit of R 4 599 541 in the 2021 annual financial statements.

   During the 2022 financial year, the VAT registration was not yet finalised, however, the basis of computing the VAT liability had been amended. As noted above, management was investigating an alternate method of computing the VAT liability and instead of working on an apportionment basis, the VAT was computed on an activity basis.

   This new method had a significant impact on the VAT computation as the estimated VAT liability inclusive of interest of R 1 169 084 for the period 1 March 2006 to 31 March 2022 was now computed at R 1 615 063. As a provision of R 3 824 648 was recognised in the 2021 annual financial statements, the excess provision had to be reversed in the 2022 annual financial statements.

   The impact of the revised approach has resulted in an amount of R 2 117 472 being recorded as "other income" in the 2022 annual financial statements and has resulted in a surplus for the year amounting to R 1 781 386.

   The organisation also has a potential estimated liability of R 304 384 (2021: R 842 795 using the apportionment method) relating to penalties that could be raised by SARS.
   As the organisation will be submitting a VDP application, the estimated penalty had not been recorded as an expense as there is a probability that this will be waived by SARS.
   The estimated penalty has been disclosed as a contingent liability in the 2022 annual financial statements (refer note 16).

2. The summarised 2022 Audited Annual Financial Statements (AFS), which were signed off by both the Board and Registered Auditor (Turning Point Consulting Southern Africa Inc.) on 13 September 2022, have been derived from the Audited AFS of the organisation for the year ended 31 March 2022.

3. The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

4. The Audited Annual Financial Statements are available on our website, sahucsg@sahuc.org.za