

# **Maritzburg College Old Boys' Association**

**Annual Financial Statements**

**for the year ended 31 December 2024**

# Maritzburg College Old Boys' Association

Annual Financial Statements for the year ended 31 December 2024

## Index

---

	Page
General Information	2
Executive Committee Responsibilities and Approval	3
Executive Committee Report	4
Independent Auditor's Report	5 - 6
Report of the Compiler	7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 13
Notes to the Financial Statements	14 - 16

# Maritzburg College Old Boys' Association

Annual Financial Statements for the year ended 31 December 2024

## General Information

---

<b>Country of Incorporation and Domicile</b>	South Africa
<b>Nature of Business and Principal Activities</b>	The association promotes good fellowship between past scholars of College and aims to promote and maintain close relationships between the members of the Association, College teachers past and present, the Governing Body of College and the current scholars of College themselves.
<b>Registered Office</b>	68 College Road Pietermaritzburg 3201
<b>Postal Address</b>	P O Box 1123 Pietermaritzburg 3200
<b>Bankers</b>	Standard Bank
<b>Level of Assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Non-Profit Organisations Act, 71 of 1997 of South Africa.
<b>Auditors</b>	GC Ford Inc 4 Mahogany Court Redlands Estate Pietermaritzburg 3200
<b>Compiler</b>	Omne Chartered Accountant CA(SA) 14 African Street Makhanda 6139

# Maritzburg College Old Boys' Association

Annual Financial Statements for the year ended 31 December 2024

## Executive Committee Responsibilities and Approval

---

The executive committee is required by the Non-Profit Organisations Act, 71 of 1997 of South Africa to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the association, and explain the transactions and financial position of the business of the association at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the association and supported by reasonable and prudent judgements and estimates.

The executive committee acknowledges that they are ultimately responsible for the system of internal financial control established by the association and places considerable importance on maintaining a strong control environment. To enable the executive committee to meet these responsibilities, the executive committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the association and all office bearers are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The executive committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the executive committee has no reason to believe that the association will not be a going concern in the foreseeable future. The annual financial statements support the viability of the association.

The financial statements have been audited by the independent auditing firm, GC Ford Inc, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the member, the executive committee and committees of the executive committee. The executive committee believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 5 to 6.

The financial statements set out on pages 8 to 16 which have been prepared on the going concern basis, were approved by the executive committee and were signed on 20 May 2025.

*Jon Hoatson*

---

Executive Committee

# Maritzburg College Old Boys' Association

Annual Financial Statements for the year ended 31 December 2024

## Executive Committee Report

---

The executive committee presents their report for the year ended 31 December 2024.

### 1. Review of activities

#### Main business and operations

The association promotes good fellowship between past scholars of College and aims to promote and maintain close relationships between the members of the Association, College teachers past and present, the Governing Body of College and the current scholars of College themselves. There were no major changes herein during the year.

The operating results and statement of financial position of the association are fully set out in the attached financial statements and do not in my opinion require any further comment.

### 2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The executive committee is not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the association.

### 4. Independent Auditors

GC Ford Inc were reappointed as the independent auditors of Maritzburg College Old Boys' Association.

### 5. Compiler

Omne were the Compiler for the year under review.

**REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS (SA)**☎ 033 394 7616  
✉ reception@gcfordinc.co.za**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MARITZBURG COLLEGE OLD BOYS' ASSOCIATION****Opinion**

We have audited the financial statements of Maritzburg College Old Boys' Association set out on pages 8 to 16, which comprise of the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and the notes, including a summary of significant accounting policies.

In our opinion, the financial statements of Maritzburg College Old Boys' Association as at 31 December 2024 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the financial statements.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association 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' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of matter – Basis of accounting**

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Association's own accounting policies, to satisfy the financial information needs of the members. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Other information**

The Executive Committee are responsible for the other information. The other information comprises of the Executive Committee's Report. The other information does not include the financial statements and our auditor's 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 Executive Committee for the financial statements**

The Executive Committee are responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 2, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Executive Committee 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 Executive Committee are responsible for assessing the Association'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 Executive Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

# GC Ford Inc

4 Mahogany Court  
Redlands Estate  
PietermaritzburgPO Box 1576  
Pietermaritzburg  
3200**REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS (SA)**☎ 033 394 7616  
✉ reception@gcfordinc.co.za**Auditor's 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 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 an audit in accordance with ISAs, we exercise professional judgement 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 association's internal control.
- Conclude on the appropriateness of the Executive Committees' 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 cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 association to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.

We communicate with the Executive Committee regarding, among 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.

*GC Ford Inc*

**GC FORD INC  
DIRECTOR: BRADLEY MARK STEGEN  
REGISTERED AUDITOR  
4 MAHOGANY COURT  
REDLANDS ESTATE  
1 GEORGE MACFARLANE LANE  
PIETERMARITZBURG  
3201**

20 May 2025



---

## Report of the Compiler

---

### To the Executive Committee of Maritzburg College Old Boys' Association

We have compiled the accompanying financial statements of Maritzburg College Old Boys' Association based on information you have provided. These financial statements comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Non-Profit Organisations Act, 71 of 1997 of South Africa. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the basis of accounting described in note 2 to the financial statements.

**Omne**

---

Candice Mullins  
Director / Partner  
Chartered Accountant (SA)  
20 May 2025

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Statement of Financial Position

Figures in R

Notes

2024

2023

### Assets

#### Non-current assets

Property, plant and equipment

4

6,082

13,131

Listed investments

6

717,000

523,489

#### Total non-current assets

**723,082**

**536,620**

#### Current assets

Trade and other receivables

5

13,321

123,000

Cash and cash equivalents

7

453,851

265,617

#### Total current assets

**467,172**

**388,617**

#### Total assets

**1,190,254**

**925,237**

### Equity and liabilities

#### Equity

Accumulated surplus

1,122,450

925,237

#### Liabilities

##### Current liabilities

Trade and other payables

8

67,804

-

#### Total equity and liabilities

**1,190,254**

**925,237**

# Maritzburg College Old Boys' Association

Annual Financial Statements for the year ended 31 December 2024

## Statement of Comprehensive Income

Figures in R

Note

2024

2023

### Revenue

Subscriptions	954,295	678,172
---------------	---------	---------

### Other income

Branch dinners and events	200	10,502
Donations	158,523	64,582
Net funds - events	186,801	35,151
	<b>345,524</b>	<b>110,235</b>

### Administrative expenses

Accounting fees	(60,688)	(38,548)
Auditors remuneration	(17,289)	(13,628)
Bank charges	(36,028)	(32,987)
Subscriptions	(124,761)	(81,567)
Telecommunication	(44,832)	(53,491)
	<b>(283,598)</b>	<b>(220,221)</b>

### Other expenses

Advertising	(30,908)	(28,483)
Branch costs	(34,786)	(20,022)
College 160th gift	-	(100,000)
Depreciation - property, plant and equipment	(7,050)	(9,902)
Employee costs - salaries	(795,520)	(783,736)
Fellowship and strategy	(9,526)	(176,281)
General expenses	(10,501)	(7,500)
Management fees	(4,466)	(11,409)
Printing and stationery	(6,311)	(7,089)
Repairs and maintenance	-	(4,968)
Travel - local	(6,117)	(12,970)
	<b>(905,185)</b>	<b>(1,162,360)</b>

### Other gains and losses

Fair value changes - financial assets	66,986	144,710
Gain or loss on sale - property, plant and equip.	-	(564)
	<b>66,986</b>	<b>144,146</b>

### Surplus / (deficit) from operating activities

<b>178,022</b>	<b>(450,028)</b>
----------------	------------------

### Finance income

Interest received	11,229	13,276
Investment income	7,962	15,026
	<b>19,191</b>	<b>28,302</b>

### Surplus / (deficit) for the year

<b>197,213</b>	<b>(421,726)</b>
----------------	------------------

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Statement of Changes in Equity

Figures in R	Accumulated surplus
Balance at 1 January 2023	1,346,963
Changes in equity	
Deficit for the year	(421,726)
Balance at 31 December 2023	925,237
Balance at 1 January 2024	925,237
Changes in equity	
Surplus for the year	197,213
Balance at 31 December 2024	1,122,450

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Statement of Cash Flows

Figures in R	Note	2024	2023
<b>Cash flows from / (used in) operations</b>			
<b>Surplus / (deficit) for the year</b>		<b>197,213</b>	<b>(421,726)</b>
<b>Adjustments to reconcile surplus / (deficit)</b>			
Adjustments for finance income		(19,191)	(28,302)
Adjustments for decrease / (increase) in trade accounts receivable		109,679	(114,332)
Adjustments for increase / (decrease) in trade accounts payable		67,810	(183,442)
Adjustments for depreciation and amortisation expense		7,050	9,902
Adjustments for fair value gains and losses		(66,986)	(144,710)
<b>Total adjustments to reconcile surplus / (deficit)</b>		<b>98,362</b>	<b>(460,884)</b>
<b>Net cash flows from / (used in) operations</b>		<b>295,575</b>	<b>(882,610)</b>
Interest received		19,191	28,302
<b>Net cash flows from / (used in) operating activities</b>		<b>314,766</b>	<b>(854,308)</b>
<b>Cash flows (used in) / from investing activities</b>			
Purchase of property, plant and equipment		-	(14,401)
Proceeds from sales of other non-financial assets		-	564
Movement in other financial assets		(126,532)	419,593
<b>Cash flows (used in) / from investing activities</b>		<b>(126,532)</b>	<b>405,756</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>188,234</b>	<b>(448,552)</b>
Cash and cash equivalents at beginning of the year		265,617	714,169
<b>Cash and cash equivalents at end of the year</b>	<b>7</b>	<b>453,851</b>	<b>265,617</b>

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Accounting Policies

---

### 1. General information

Maritzburg College Old Boys' Association ('the association') promotes good fellowship between past scholars of College and aims to promote and maintain close relationships between the members of the Association, College teachers past and present, the Governing Body of College and the current scholars of College themselves.

The association is incorporated as a association and domiciled in South Africa. The address of its registered office is 68 College Road, Pietermaritzburg, 3201.

### 2. Basis of preparation and summary of significant accounting policies

The financial statements of Maritzburg College Old Boys' Association have been prepared in accordance with the basis of accounting set out below and the Non-Profit Organisations Act, 71 of 1997 of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments which are held at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the basis of accounting described below requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the executive committee.

The association adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the association. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Depreciation rate
Fixtures and fittings	17%
Computer equipment	33.33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Accounting Policies

---

*Basis of preparation and summary of significant accounting policies continued...*

### 2.2 Financial instruments

#### Trade and other receivables

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in surplus or deficit.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

#### Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

### 2.3 Tax

Maritzburg College Old Boys Association has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act No. 58 of 1962.

Receipts and accruals are exempt from income tax. No tax is payable in the current year of assessment.

### 2.4 Revenue

Old boy subscriptions, donations and fundraising income or losses are recognised on the cash receipts basis. Scholar subscriptions are recognised on the cash receipts basis in the current year.

Interest income is recognised using the effective interest method.

### 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

Figures in R

2024

2023

### 4. Property, plant and equipment

Balances at year end and movements for the year

	Fixtures and fittings	Computer equipment	Total
<b>Reconciliation for the year ended 31 December 2024</b>			
<b>Balance at 1 January 2024</b>			
At cost	16,230	35,820	52,050
Accumulated depreciation	(13,634)	(25,285)	(38,919)
<b>Carrying amount</b>	<b>2,596</b>	<b>10,535</b>	<b>13,131</b>
<b>Movements for the year ended 31 December 2024</b>			
Depreciation	(2,298)	(4,752)	(7,050)
<b>Property, plant and equipment at the end of the year</b>	<b>298</b>	<b>5,783</b>	<b>6,081</b>
<b>Closing balance at 31 December 2024</b>			
At cost	16,230	35,820	52,050
Accumulated depreciation	(15,932)	(30,036)	(45,968)
<b>Carrying amount</b>	<b>298</b>	<b>5,784</b>	<b>6,082</b>
<b>Reconciliation for the year ended 31 December 2023</b>			
<b>Balance at 1 January 2023</b>			
At cost	99,084	71,611	170,695
Accumulated depreciation	(92,696)	(68,803)	(161,499)
<b>Carrying amount</b>	<b>6,388</b>	<b>2,808</b>	<b>9,196</b>
<b>Movements for the year ended 31 December 2023</b>			
Additions from acquisitions		14,401	14,401
Depreciation	(3,227)	(6,675)	(9,902)
Disposals	(565)	-	(565)
<b>Property, plant and equipment at the end of the year</b>	<b>2,596</b>	<b>10,534</b>	<b>13,130</b>
<b>Closing balance at 31 December 2023</b>			
At cost	16,230	35,820	52,050
Accumulated depreciation	(13,634)	(25,285)	(38,919)
<b>Carrying amount</b>	<b>2,596</b>	<b>10,535</b>	<b>13,131</b>

### 5. Trade and other receivables

Trade and other receivables comprise:

Sundry debtors	13,321	123,000
----------------	--------	---------

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

Figures in R

2024

2023

### 6. Listed investments

Listed investments comprise the following balances

Listed investments	717,000	523,489
Allan Gray Money Market Fund at market value		

### 7. Cash and cash equivalents

#### 7.1 Cash and cash equivalents included in current assets:

##### Cash

Balances with banks	453,851	265,617
---------------------	---------	---------

#### 7.2 Detail of cash and cash equivalent balances

##### Bank balances

Standardbank - 52070085	253,606	49,271
Payfast	62,815	-
Nedbank corporate saver - 9004300410	15,220	101,596
Nedbank corporate saver - 9014887317	28,493	26,571
Nedbank corporate saver - 9001019751	93,717	88,179
<b>Total</b>	<b>453,851</b>	<b>265,617</b>

### 8. Trade and other payables

Trade and other payables comprise:

Trade payables	67,804	-
----------------	--------	---

### 9. Income tax expense

The organisation has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, 58 of 1962. No tax is payable in current year as there was no taxable income.

### 10. Events after the reporting date

The executive committee is not aware of any material event which occurred after the reporting date and up to the date of this report.

# Maritzburg College Old Boys' Association

Financial Statements for the year ended 31 December 2024

## Notes to the Financial Statements

Figures in R

---

### 11. Going concern

The executive committee believes that the association has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The executive committee has satisfied themselves that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The executive committee is not aware of any new material changes that may adversely impact the association. The executive committee is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the association.