Head Office
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The WCBS Annual General Meeting of Members

Thursday, 11 September 2025 at

WCBS Head Office, 3 Oude Molen Road, Ndabeni Cape Town

MINUTES

WELCOME

Michelle Vermeulen welcomed the donor representatives, board members, and staff to the 2025 Annual General Meeting, where after she handed over the meeting to the Chairman of the Board, PJ Veldhuizen.

Confirmation of Previous Minutes

Minutes from the Annual General Meeting held on 11 September 2024 were confirmed.

Proposed by: Greg Bellairs

Seconded by: Thembie Sitsila

1. **GOVERNANCE REPORT (by PJ Veldhuizen ("PJ"), Chairman of the board)**

PJ welcomed all those in attendance, he stated that WCBS had once again enjoyed a successful and stable year. PJ presented the highlights of the past financial year as follows:

Accreditation and Compliance

• The organisation successfully maintained accreditation from SANAS for its Quality Management System.

• A five-star rating was achieved in the annual Health and Safety Audit, ensuring adherence to regulatory frameworks and the creation of safe environments for staff and donors.

Blood Product Availability

• Blood stocks were maintained at acceptable levels despite challenges relating to seasonal variation and donor availability.

• The donor base represented 0.91% of the population, with the target being 1%. The Chairman encouraged renewed efforts to achieve this target in the coming year.

• Strategies to increase donor numbers include expanded gift offerings and youth-focused campaigns.

Donor and Patient Safety

• Donor safety was promoted through haemoglobin and ferritin screening tests, which assisted in the detection of iron deficiency.

• All blood products were tested for transfusion-transmissible diseases, with infected donors notified accordingly.

• Safe transfusion practices were promoted, with no safety concerns identified during the year.

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Financial Sustainability and Investment

• The organisation achieved financial stability with a reported surplus of R56 million.

• R31 million was invested in modern equipment.

• A solar energy system was installed at headquarters, reducing reliance on fossil fuels and contributing to long-term savings

• The Chairman expressed appreciation to board member Mandla Moyo for his guidance on the project, acknowledging his expertise from similar work at the Sports Science Institute.

Acknowledgements

• PJ expressed gratitude to blood donors, their representatives, staff, and partners for their contributions to the organisation's mission of saving lives through the provision of a safe and sufficient blood supply.

• He thanked the executive team, specifically Greg and Nicky, for their leadership and commitment.

• He further commended the Board for their preparedness, robust debates, and respectful resolution of differences, highlighting that such constructive governance strengthens the organisation at all levels.

The Chairman concluded his report by emphasising the importance of teamwork across the Board, staff, and stakeholders in achieving the organisation's objectives.

2. **DIRECTOR'S REPORT (by Greg Bellairs ("Greg"), CEO and Chief Medical Director)**

On behalf of the Board of Directors, the Chairman, Nicky, and the leadership team of the Service, Greg welcomed all present, with particular acknowledgement to donor representatives and staff.

Greg presented the Director's report, supported by a series of slides. He summarised "The Journey of Blood" which includes the following 5 key activities:

• Collection – from volunteer donors.

• Processing – separation into red cells, plasma, and platelets.

• Testing – testing for blood group, HIV, Hepatitis B, Hepatitis C, and Syphilis.

• Distribution – delivery of safe products to hospitals and blood banks.

• Transfusion – to recipients in need. One donation can save up to 3 lives.

Donor Safety and Deferrals

Greg emphasised donor safety, noting the importance of the donor health questionnaire, now also available in digital format. He said that the Service aims for 90% digital adoption within the next year.

Donor deferrals, while regrettable, are necessary for health and safety. The overall deferral rate for 2024/25 was 11%–14%, mainly due to lifestyle factors and low haemoglobin levels.

He noted risks associated with donation (e.g. bruising, dizziness, iron deficiency) and explained the Service's mitigation strategies, including managing donation frequency, haemoglobin testing, ferritin testing, and supplying free oral iron replacement tablets.

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Blood Supply and Donation Trends

During 2024/25, approximately 147,000 donations were collected from 70,000 donors. The Service continues to work towards achieving the target of 1% of the Western Cape's population as active donors, currently reflecting a shortfall of 6,000.

Sustainability remains key, with the preferred mix being 80% repeat donors and 20% new donors. Presently, three-quarters of the donor base is under the age of 50.
A chart of blood product levels confirmed that, across most blood groups, the Service maintained a five-day supply for the year.

GB requested donor representatives to assist by:
1. Encouraging more people to register as donors.
2. Motivating existing donors to donate more regularly.
3. Identifying suitable venues for donation drives.

Blood Safety for Patients in Hospitals having Transfusions

The Service closely monitors the prevalence of transfusion-transmissible infections, specifically HIV, HBV, and HCV. While HBV remains the most common detection, HIV prevalence in donations is exceptionally low at 0.04%, compared to 15% in the general Western Cape population. HCV levels remain low but may rise due to increasing intravenous drug use.
GB reaffirmed that, owing to the Service's advanced testing systems, no transfusion-transmitted HIV, HBV, or HCV infections have occurred since 2005.

The adverse transfusion reaction rate in hospitals was recorded at 80 reactions per 100,000 blood products issued in 2024/25.

In conclusion, Greg confirmed that under the Service's strategic pillars—compliance, safe donation, safe transfusion, sufficiency, and sustainability—the Service remains stable and firmly on track.

3. **ELECTION OF DIRECTORS (Greg)**

Greg provided background on the composition of the Board of Directors, which comprises ten Non-Executive Directors. In terms of the organisation's Memorandum of Incorporation (MOI), the 4 longest serving Non-Executive Directors are required to retire each year. Retiring directors may stand for re-election, and, additional nominations may also be received for appointment to the Board.
For the year under review, the following directors retired by rotation:
- **Prof. Vernon Louw**
- **Dr Andrea Huggett**
- **Mr. PJ Veldhuizen**
- **Mr. Dumisani Ndebele**

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All four indicated their willingness to continue serving as directors. No nominations for new directors were received.

Greg requested that the members cast their votes regarding the re-appointment of the four directors retiring by rotation.

4. **FINANCIAL STATEMENTS FOR 2024/2025 (by Nicky du Toit ("Nicky"), CFO and Corporate Services Director)**

Nicky welcomed everyone, she said that the Service had maintained very positive results for the 2024/2025 period. She added that the Service remains strong and financially healthy, despite the presence of a weakening rand and ongoing political instability. Nicky presented the highlights of the financial year, noting that the numbers reflect the breadth of WCBS's daily operations and service delivery. She added that WCBS remains the only vein-to-vein blood service in the Western Cape, supported by a workforce of 515 staff.

Service Overview

• Facilities: Head Office in Ndabeni and three regional sites (Paarl, Worcester, George).
• Fixed Clinics: Five sites (Long Street, Blue Route Mall, Cape Gate, Somerset Mall, N1 City Mall).
• Mobile Clinics: 700 annually, supported by caravans, motorhomes, and the WCBS bus.
• Therapeutic & Apheresis Clinics: Located at Headquarters.
• Blood Banks: Eight in total (five provincial hospitals: Groote Schuur, Tygerberg, Red Cross, Paarl, Khayelitsha; one private hospital: Mediclinic Vergelegen; plus Worcester and George regional branches).

Transport & Distribution:

- Fleet of 68 vehicles travelled 1.9 million km in 2024/25, during 147 504 trips
- Distribution Centre located at HQ, Ndabeni
- Teams responsible for both blood delivery and maintenance of hospital emergency fridges

• Donor base: 70 000 donors contributed more than 147 000 units of blood during the year.

Statement of Comprehensive Income (Income Statement) 31 March 2025

Turnover was R596 million, Cost of Sales was R185 million bringing our gross profit to R411 million.
Other income was R12.7 million which brought us to an operating surplus of R48 million.
We received interest of R10.1million and had finance costs of R1.6 million.
Our surplus for the year was R56.6 million, other comprehensive losses of R88 million bringing our total comprehensive surplus for the year to R56.6 million versus R41 million in the previous financial year.

4.1. Statement of Financial Position (Balance Sheet) 31 March 2025

Total assets were at R608 million. These figures include everything the Service owns and uses to operate. (vehicles/ equipment/ property and reserves).

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4.2. Equity – Financial Capital

Nicky explained that financial capital is the pool of funds available for the Service to pay for the day-to-day operations and to fund the Service's future growth. Equity of R496 million is the difference between assets (R608 million) and liabilities (R112 million)

Debt-to-Equity Ratio: 0.22, which is well below benchmark of less than 2, indicating strong sustainability. This is the most critical measurement of a successful business, especially a not for profit.

4.3. Turnover

Nicky reported that the turnover for the year was R596 million. This was made up of red blood cell products (R317 million; 53% of sales), platelets (R121 million; 20% of sales), Plasma (R74 million; 13% of sales), Services (R18 million; 3% of sales) and other (R68 million; 11% of sales)

If we look at our turnover compared to the different sectors that we sell to (State/ Private/ NBI), you can see that Private buy the most of our products at R361 million; 60%, State sector bought R195 million; 33% of our product and NBI bought R43 million; 7% worth of plasma only.

4.4. Expenses

Expenses in total consists of

Personnel (R278 million; 50%) of expenses.

Cost of Sales

Collection/ testing and Product costs are what make up our gross profit:

Collection costs: R54 million; 10%

Testing costs: R57 million; 10%

Product costs R73 million; 13%

Operating Expenses

Admin Costs: R54 million; 10%

Repairs & Maintenance: R20 million; 3%

Depreciation Costs: 22 million; 4%

Other: R3 million; 0%

4.5. Capital Expenditure 2024/25 – Total expenditure of R31.3 million

We spent R15 million on land and buildings – this included solar investment at HQ and Worcester branch. We bought motor vehicles for R4.6 million, office and computer equipment for R4 million; technical equipment for R7.7 million.

Solar Investments:

HQ Ndabeni: R12.8m; annual saving R1.46m; payback perid 10 years.

Worcester: R1.87m; annual saving R346k; payback period 5.4 years.

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Total capital expenditure for the current year was R31.3 million.

In conclusion, Nicky said that WCBS continues to demonstrate financial strength and sustainability. The Service is in a strong equity position, ensuring resilience and long-term viability. She added that commitment to operational excellence, financial prudence and service to the community remains central to the organisation.

5. APPOINTMENT OF AUDITORS FOR 2024/2025 (by Nicky)

Nicky reported on the organisation’s external audit arrangements:
She said that for the past many financial years, the organisation’s auditors were Ernst & Young (EY), who delivered excellent service and maintained a strong working relationship with management and the Board. In the current year, the Board decided to go out on tender in order to:

- Test the competitiveness of audit pricing.
- Assess alternative service offerings in the market.
- Gain insight into methodologies applied by other audit firms.

Five firms were approached, with three submitting formal proposals: EY, Deloitte, and KPMG. Following an evaluation process, interviews were conducted with EY and Deloitte. After consideration, the Board resolved to appoint Deloitte as the organisation’s external auditors for a period of five years. The decision was based on both the quality of the proposal as well as the Board’s desire for audit frim rotation.

Nicky highlighted that going forward, the organisation will invite tenders for audit services every five years to ensure independence, value for money, and continuity, while minimising the operational disruption associated with frequent auditor changes.

Members were invited to confirm the appointment of Deloitte as external auditors for the next five financial years.

6. THE APPROVAL OF THE AMENDMENTS TO THE MEMORANDUM OF INCORPORATION (MOI) (Greg)

Greg explained that the MOI is the governing document which sets out the rules by which the organisation is run.
He presented the four proposed amendments to the MOI (which were distributed in writing prior to the AGM) and invited questions from the members.
No questions were raised.
He requested the members to cast their votes regarding the amendments.
Once approved, the necessary documentation would be submitted to Themis, the organisation’s Company Secretary, for submission of the updated MOI to the CIPC.

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7. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Nicky presented the item on the remuneration of Non-Executive Directors.
The Board currently consists of ten Non-Executive Directors. During the year under review, the organisation held a total of 56 meetings across the Board and its committees.
The Non-Executive Directors bring significant expertise to the organisation, including professional backgrounds in medicine, law, finance, and other specialist areas.

Nicky proposed that in alignment with the staff salary increase of 5.5%, it was suggested that the same increase be applied to the remuneration of Non-Executive Directors.

Members were invited to vote on the proposal of a 5.5% increase in non-executive director remuneration.

8. APPOINTMENT OF HONORARY MEMBERS

Nicky presented the nominations for honorary membership, recognising individuals who have made outstanding contributions to the organisation. She noted that these members serve voluntarily, without remuneration, driven solely by their passion and commitment to the organisation's mission.

Nominations for Honorary Membership:

- **Mrs Ronel Mouton** – Worcester branch, nominated by Head of Department, Janine Geldenhuis.
- **Barbara Oosthuizen** – St Stephen's Anglican Church, nominated by Head of Department, Michelle Vermeulen.
- **Jacques van Zyl** – Employee of Western Cape Government, nominated by Head of Department, Michelle Vermeulen.

The members were invited to endorse the nominations.

9. CLOSURE

Greg opened the floor for questions to any of the speakers; none were raised. He thanked all attendees for their participation and for helping to ensure that the meeting ran smoothly. Greg also expressed appreciation to the staff who organised and supported the meeting.

Signature	*PJ Veldhuizen* Name

Date: 20 October 2025