

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

These financial statements have been audited

Draft

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	The association is a scientific and educational non-profit organization aiming to bring together haematologists, physicians, scientists, nurses, technologists and administrators with an interest in and/or involved in the teaching, research, practice and promotion of haematology.
MEMBERS	Dr ZC Chapanduka Dr C Swanepoel
REGISTERED OFFICE	C17, National Health Laboratory Service Groote Schuur Hospital Observatory Cape Town 7935
POSTAL ADDRESS	C17, National Health Laboratory Service Groote Schuur Hospital Observatory Cape Town 7935
AUDITOR	Exceed (Cape Town) Inc. Chartered Accountant (SA) Registered Auditor
LEVEL OF ASSURANCE	These financial statements have been audited
PREPARER	The financial statements were independently compiled by: GA van Rhyn CA (S.A)
PUBLISHED	<hr/>

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

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The reports and statements set out below comprise the financial statements presented to the members:

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The following supplementary information does not form part of the financial statements and is unaudited:

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

Disclaimer of Opinion

We were engaged to audit the financial statements of South African Society of Haematology set out on pages 7 to 12, which comprise the statement of financial position as at 31 July 2017, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the financial statements of South African Society of Haematology. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

For the year under audit the organisation was unable to provide sufficient information to support transactions reflected on the bank statements and not all bank statements were available as a result we were not able to conduct sufficient audit work on the financial statements. In addition the prior year figures were not audited by an auditor. Due to cost versus benefit considerations by management we were not able to perform an audit on the prior year figures and the opening balances of the current year.

Emphasis of Matter

Without modifying our opinion, we draw attention to the accounting policies on page 11, which describes the basis of accounting. The financial statements are prepared in accordance with the entity's own accounting policies to satisfy the financial information needs of the organisation's members. As a result, the financial statements may not be suitable for other purposes.

Responsibilities of the members for the Financial Statements

The board members are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1 to the financial statements for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the members 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 members are responsible for assessing the organisation'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 board members either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the organisation's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the organisation in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

Exceed(Cape Town) Inc.
Chartered Accountants (S.A.)
Registered Auditor
Director: SM Louw
BELLVILLE

DATE

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SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

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BOARD MEMBERS' RESPONSIBILITIES AND APPROVAL

The board members are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the basis of accounting described in Note 1. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The board members acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board members 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The board members are 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The board members have reviewed the organisation's cash flow forecast for the year to 31 July 2018 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on pages 3 to 4.

The financial statements set out on page 6 to 13, which have been prepared on the going concern basis, were approved and signed on by the members on _____:

DR ZC CHAPANDUKA

DR C SWANEPOEL

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

BOARD MEMBERS' REPORT

The members have pleasure in submitting their report on the financial statements of South African Society of Haematology for the year ended 31 July 2017.

1. NATURE OF BUSINESS

South African Society of Haematology was incorporated in South Africa. The organisation is a Non-Profit Organisation involved in the scientific and education industry. The company operates in South Africa.

There have been no material changes to the nature of the organisation's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared in accordance with an Entity specific basis of accounting and the requirements of the Non-Profit Organisation, 71 of 1997. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the organisation are set out in these financial statements.

3. BOARD MEMBERS

The members in office at the date of this report are as follows:

NAMES

Dr ZC Chapanduka

Dr C Swanepoel

There have been no changes to the board of members for the period under audit.

4. EVENTS AFTER THE REPORTING PERIOD

The board members are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. GOING CONCERN

The board members believe that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The board members have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the organisation. The board members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the organisation.

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2017

	Notes	2017 R	2016 R
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	290 629	282 142
Total Assets		290 629	282 142
EQUITY AND LIABILITIES			
EQUITY			
Accumulated Funds		286 629	278 142
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	3	4 000	4 000
Total Equity and Liabilities		290 629	282 142

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	2017 R	2016 R
Revenue	4	2 500	52 600
Other income	5	4 254	-
Operating expenses		(3 682)	(55 962)
Operating profit (loss)		3 072	(3 362)
Investment revenue	6	5 415	8 536
Profit for the year		8 487	5 174
Total comprehensive income for the year		8 487	5 174

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STATEMENT OF CHANGES IN EQUITY

	Accumulated Funds R	Total equity R
Balance at 01 August 2015	272 968	272 968
Profit for the year	5 174	5 174
Total comprehensive income for the year	5 174	5 174
Balance at 01 August 2016	278 142	278 142
Profit for the year	8 487	8 487
Total comprehensive income for the year	8 487	8 487
Balance at 31 July 2017	286 629	286 629

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

STATEMENT OF CASH FLOWS

	Notes	2017 R	2016 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		2 500	52 600
Cash paid to suppliers and employees		572	(51 962)
Cash generated from operations	7	3 072	638
Interest income		5 415	8 536
Net cash from operating activities		8 487	9 174
Total cash movement for the year		8 487	9 174
Cash at the beginning of the year		282 142	272 968
Total cash at end of the year	2	290 629	282 142

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ACCOUNTING POLICIES

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

1.2 TAX

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

1.3 REVENUE

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.4 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS

	2017 R	2016 R
2. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Bank balances	290 629	282 142
3. TRADE AND OTHER PAYABLES		
Trade payables	4 000	4 000
4. REVENUE		
Membership fees	2 500	2 600
Donations Received	-	50 000
	2 500	52 600
5. OTHER INCOME		
Sundry income	4 254	-
6. INVESTMENT REVENUE		
Interest revenue		
Bank	5 415	8 536
7. CASH GENERATED FROM OPERATIONS		
Profit before taxation	8 487	5 174
Adjustments for:		
Interest received	(5 415)	(8 536)
Changes in working capital:		
Trade and other payables	-	4 000
	3 072	638

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DETAILED INCOME STATEMENT

	Notes	2017 R	2016 R
REVENUE			
Membership fees		2 500	2 600
Donations received		-	50 000
		2 500	52 600
OTHER INCOME			
Interest income		4 254	-
OPERATING EXPENSES			
Accounting fees		(3 110)	(3 700)
Bank charges		(572)	(639)
Conference fees		-	(51 623)
		(3 682)	(55 962)
Operating profit (loss)		3 072	(3 362)
Investment income		5 415	8 536
Profit for the year		8 487	5 174

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TAX COMPUTATION

	2017 R
Net profit per income statement	8 487
Permanent differences (Non-deductible/Non taxable items)	
Exempt income in terms of s10(1)(cN)	(12 169)
Non-deductible expenses in terms of s10(1)(cN)	3 682
	<u>(8 487)</u>
Assessed loss brought forward	-
Tax thereon @ 28% in the Rand	<u>-</u>