

The Society for Industrial and Organisational Psychology of South Africa
Annual financial statements
for the year ended 31 December 2008

Certified Master Auditors Inc.
Chartered Accountants (S.A.)
Registered Auditors
Issued 25 May 2009

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 December 2008

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	A professional society for non-profit
Postal address	PO Box 781615 Sandton 2146
Bankers	Standard Bank
Auditors	Certified Master Auditors Inc. Chartered Accountants (S.A.) Registered Auditors
President	Mr. Stephen Renacle
Treasurer	Mr. Kevin Distiller

The Society for Industrial and Organisational Psychology of South Africa

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

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Certified Master Auditors Inc.

Registered Accountants and Auditors
In Pursuit of Excellence

Report of the Independent Auditors

To the members of The Society for Industrial and Organisational Psychology of South Africa

We have audited the accompanying annual financial statements of The Society for Industrial and Organisational Psychology of South Africa, which comprise the members' report, the balance sheet as at 31 December 2008, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 10.

Members' Responsibility for the Financial Statements

The organisation's members are responsible for the preparation and fair presentation of these annual financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the . This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the organisation as of 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

Accounting and Secretarial Duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of all members, we have performed certain accounting and secretarial duties.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 11 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Certified Master Auditors Inc.
Registered Auditors

Halfway House

Directors:

Prof Marius Johannes Maritz
Carel Hendrik Mostert Pieterse
Floris Johannes du Toit
George Davias
Marisca Lombard
Melinda Bath
Raymond Stanley Baard
Stephanus Isaac Minnaar
Douw Gerbrand Steyn Wolmarans

B.Com (UP) B.Compt (Hons) (Unisa) MA (Finance) (Alabama USA) MBL (Cum Laude) (Unisa) CFM (Harvard USA) CA (SA) MTP (SA)
B.Com (UP) B.Compt (Hons) (Unisa) M.Com (Tax)(UP) CA (SA) GTP (SA)
B.Com (Acc) (RAU) B.Hons (Acc) (RAU) DFP CA (SA) GTP (SA)
CA (SA)
B.Com (UP) B.Compt (Hons) (Unisa) CA (SA)
B.Com (RAU) B.Compt (Hons) (Unisa) CA (SA) GTP (SA)
B.Com (RAU) B.Compt (Hons) (Unisa) CA (SA) GTP (SA)
B.Com (Acc) (RAU) B.Hons (Acc) (RAU) CA (SA) GTP (SA)
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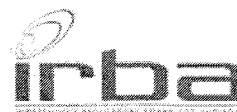
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JSE Accredited Auditor



IRBA Practice No. 912476



SAICA Practice No. 20014969



International Affiliate



The South African Institute of Tax Practitioners
Individual Members

Members' Report

The members submit their report for the year ended 31 December 2008.

1. Review of activities

Main business and operations

The organisation is a professional society for non-profit and operates principally in South Africa.

The operating results and state of affairs of the organisation are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net profit of the organisation was R 297,124 (2007: profit R 677,379).

2. Post balance sheet events

The members are not aware of any matter or circumstance arising since the end of the financial year.

3. Auditors

Certified Master Auditors Inc. will continue in office in accordance with section 270(2) of the Companies Act.

The annual financial statements set out on pages 4 to 11, which have been prepared on the going concern basis, were approved by the members on 21 May 2009 and were signed on its behalf by:



President



Treasurer

Rivonia

25 May 2009

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 December 2008

Balance Sheet

Figures in Rand	Note(s)	2008	2007
Assets			
Current Assets			
Trade and other receivables	2	249,972	228,354
Cash and cash equivalents	3	1,715,757	1,450,017
		1,965,729	1,678,371
Total Assets		1,965,729	1,678,371
Equity and Liabilities			
Members' interest and reserves			
P.A.I. Capital		257,368	257,368
Retained income		1,699,333	1,402,209
		1,956,701	1,659,577
Liabilities			
Current Liabilities			
Trade and other payables	4	9,028	18,794
Total Equity and Liabilities		1,965,729	1,678,371

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Income Statement

Figures in Rand	Note(s)	2008	2007
Revenue		1,291,535	1,125,512
Cost of sales		(950,993)	(461,663)
Gross profit		340,542	663,849
Other income		299,300	167,400
Operating expenses		(490,609)	(247,944)
Operating profit		149,233	583,305
Investment revenue		147,891	94,116
Finance costs		-	(42)
Profit for the year		297,124	677,379

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 December 2008

Statement of Changes in Equity

Figures in Rand	Non distributable reserve	Retained income	Total equity
Balance at 01 January 2007	313,018	724,830	1,037,848
Changes in equity			
Profit for the year	-	677,379	677,379
Expenses paid on behalf of P.A.I.	(55,650)	-	(55,650)
Total changes	(55,650)	677,379	621,729
Balance at 01 January 2008	257,368	1,402,209	1,659,577
Changes in equity			
Profit for the year	-	297,124	297,124
Total changes	-	297,124	297,124
Balance at 31 December 2008	257,368	1,699,333	1,956,701

Note(s)

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 December 2008

Cash Flow Statement

Figures in Rand	Note(s)	2008	2007
Cash flows from operating activities			
Cash generated from operations	5	117,849	335,622
Interest income		147,891	94,116
Finance costs		-	(42)
Net cash from operating activities		265,740	429,696
Cash flows from financing activities			
Contributions repaid		-	(55,650)
Total cash movement for the year		265,740	374,046
Cash at the beginning of the year		1,450,017	1,075,971
Total cash at end of the year	3	1,715,757	1,450,017

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 December 2008

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements are prepared in conformity with South African Statements of Generally Accepted Accounting Practice, appropriate to the business of the corporation. The annual financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Initial recognition

The society classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the society's balance sheet when the society becomes party to the contractual provisions of the instrument.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value.

Trade and other payables

Trade payables are initially measured at fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.2 Revenue

Revenue comprises of conference and membership fees. Revenue is stated at the invoice amount and is exclusive of value added taxation.

The Society for Industrial and Organisational Psychology of South Africa

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Notes to the Annual Financial Statements

Figures in Rand	2008	2007
2. Trade and other receivables		
Trade receivables	227,259	202,825
VAT	12,220	-
Prepayments	10,493	25,529
	249,972	228,354
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1,715,757	1,450,017
4. Trade and other payables		
Trade payables	9,028	15,096
VAT	-	3,698
	9,028	18,794
5. Cash generated from operations		
Profit before taxation	297,124	677,379
Adjustments for:		
Interest received	(147,891)	(94,116)
Finance costs	-	42
Changes in working capital:		
Trade and other receivables	(21,618)	(174,246)
Trade and other payables	(9,766)	(73,437)
	117,849	335,622

The Society for Industrial and Organisational Psychology of South Africa

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Detailed Income statement

Figures in Rand	Note(s)	2008	2007
Revenue			
Conference and events		1,291,535	1,125,512
Cost of sales			
Conference cost - venue and overheads		(851,364)	(409,770)
Region costs		(99,629)	(51,893)
		(950,993)	(461,663)
Gross profit		340,542	663,849
Other income			
Membership fees		299,300	167,400
Interest received		147,891	94,116
		447,191	261,516
Operating expenses			
Accounting fees		19,636	20,620
Advertising, marketing and promotions		4,538	2,500
Auditors remuneration		10,400	9,495
Bad debts		-	11,396
Bank charges		3,156	2,257
Computer expenses		-	1,579
Consulting and professional fees		-	11,354
SA Journal of Industrial Psychology		32,456	16,228
Printing and stationery		4,428	6,234
Secretarial fees		293,045	121,511
Subscriptions		5,078	2,506
Travel - local		73,034	20,613
Travel - overseas		44,838	21,651
		490,609	247,944
Operating profit		297,124	677,421
Finance costs		-	(42)
Profit for the year		297,124	677,379