

**The Society for Industrial and Organisational Psychology of South Africa
Annual financial statements
for the 7 months ended 31 July 2013**

**Certified Master Auditors Incorporated
Chartered Accountants (S.A.)
Registered Auditors
Published 06 May 2015**

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the 7 months ended 31 July 2013

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 Gauteng 2146
Bankers	Standard Bank
Reviewers	Certified Master Auditors Incorporated Chartered Accountants (S.A.) Registered Auditors
President	Prof. Karl Stanz
Treasurer	Mr. Andre Lombard

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the 7 months ended 31 July 2013

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

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Level of assurance

These annual financial statements have been independently reviewed in compliance with the applicable requirements of the entity's constitution.

Preparer

Mr. Andre Lombard

Published

06 May 2015

The Society for Industrial and Organisational Psychology of South Africa

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Board Members' Responsibilities and Approval

The board members are required by the constitution, to maintain adequate accounting records and are 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 fairly present the state of affairs of the entity as at the end of the financial 7 months and the results of its operations and cash flows for the period then ended, in conformity with entity specific reporting framework.

The annual financial statements are prepared in accordance with entity specific reporting framework 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 entity and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board of 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 entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity 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 annual 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 entity's cash flow forecast for the 12 months to 31 July 2014 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The independent reviewers are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's independent reviewers and their report is presented on page 4.

The annual financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board of members on 06 May 2015 and were signed on its behalf by:

President

Karel Stanz

Treasurer

André Oubad



Certified Master Auditors (South Africa) Inc.

Registered Accountants and Auditors
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CMA Office & Conference Park
1 2nd Road
Halfway House
Private Bag X168
Halfway House, 1685
Tel: (011) 315 0215
Fax: (088 011) 315 0639
http://www.cmaauditors.co.za
Reg. 1997/013001/21

Independent Reviewers' Report

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

We have reviewed the annual financial statements of The Society for Industrial and Organisational Psychology of South Africa, set out on pages 7 to 14, that comprise the statement of financial position as at 31 July 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the 7 months then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution, and for such internal control as the directors determine necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewers' Responsibility

Our responsibility is to express a conclusion on the annual financial statements based on our review. We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2400, Engagements to Review Financial Statements. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the annual financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the annual financial statements as a whole may be materially misstated.

The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these annual financial statements.

Other Offices:
Cape Town
Centurion
Pretoria North
Pretoria East
Vereeniging
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Directors:

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Carel Hendrik Mostert Pleters - B.Com (UP) B.Compt (Hons) (Unisa) M.Com (Tax)(UP) CA (SA) MTP (SA) Samuel Marks - CA (SA) George Davies - CA (SA)
Douw Gerbrand Steyn Wolmarans - B.Com (UP) E.Comp (Hons) (UP) CA (SA) Eric Michael Clumitson - B.Compt. (Unisa) B.Com.(Hons)(Unisa) CA (SA)
Floris Johannes du Toit - B.Com (Acc) (RAU) B.Hons (Acc) (RAU) D.F. CA (SA) CTP (SA) Marilca Lombard - B.Com (JP) B.Compt (Hons) (Unisa) CA (SA)
Raymond Stanley Baard - B.Com (RAU) B.Compt (Hons)(Unisa) CA (SA) GTP (SA) Jean-Andre du Toit - B.Com (Acc) (UJ) B.Compt (Hons) (Unisa) CA (SA)
Melinda Bath - B.Compt (Acc)(Hons)(UNISA) CTA ACA CTP(SA) RA CA(SA) Anna Johanna Fredricka Swanepoel - CA (SA)
Stephanus Isaac Minnear - B.Com (Acc) (PAU) B.Com (Acc) (Hons)(RAU) M.Com(Taxation)(UP) CA(SA)

IRBA Practice number:
912470

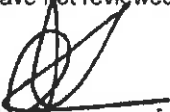
SAICA Practice number:
20014969

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the annual financial statements do not present fairly, in all material respects the financial position of The Society for Industrial and Organisational Psychology of South Africa as at 31 July 2013 and its financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution.

Other reports required by the Companies Act

As part of our review of the annual financial statements for the 7 months ended 31 July 2013, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the reviewed annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the reviewed annual financial statements. However, we have not reviewed this report and accordingly do not express a conclusion on this report.



Certified Master Auditors Incorporated
Registered Auditors

06 May 2015

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the 7 months ended 31 July 2013

Board Members' Report

The board members have the pleasure of submitting their report on the annual financial statements of The Society for Industrial and Organisational Psychology of South Africa for the 7 months ended 31 July 2013.

1. Nature of business

The Society for Industrial and Organisational Psychology of South Africa was incorporated in South Africa with interests in the Non-profit industry. The entity operates in South Africa.

There have been no material changes to the nature of the entity's business from the prior 7 months.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with entity specific reporting framework and the requirements of the constitution. The accounting policies have been applied consistently compared to the prior 7 months.

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

3. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the entity or in the policy regarding their use.

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 entity 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 board members have satisfied themselves that the entity is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board members are not aware of any new material changes that may adversely impact the entity. 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 entity.

6. Review

The financial statements are subject to an independent review and have been reviewed by Certified Master Auditors Incorporated

The Society for Industrial and Organisational Psychology of South Africa
Annual Financial Statements for the 7 months ended 31 July 2013

Statement of Financial Position as at 31 July 2013

Figures in Rand	Note(s)	2013	2012
Assets			
Non-Current Assets			
Property, plant and equipment	2	1	2 281
Intangible assets	3	86 742	50 664
		86 743	52 945
Current Assets			
Other financial assets	4	1 965 800	-
Trade and other receivables	5	1 107 831	318 263
Cash and cash equivalents	6	602 833	2 357 164
		3 676 464	2 675 427
Total Assets		3 763 207	2 728 372
Equity and Liabilities			
Equity			
Share capital		247 368	247 368
Retained income		2 709 205	2 454 906
		2 956 573	2 702 274
Liabilities			
Current Liabilities			
Trade and other payables	7	806 634	26 098
Total Equity and Liabilities		3 763 207	2 728 372

The Society for Industrial and Organisational Psychology of South Africa
Annual Financial Statements for the 7 months ended 31 July 2013

Statement of Comprehensive Income

Figures in Rand	Note(s)	2013	2012
Conference and Membership fees		2 193 105	792 439
Conference and Regional costs		(1 164 462)	(225 293)
Gross surplus		1 028 643	567 146
Operating expenses		(825 104)	(1 214 674)
Operating surplus (deficit)		203 539	(647 528)
Investment revenue		50 760	122 392
Surplus (deficit) for the 7 months		254 299	(525 136)
Other comprehensive income		-	-
Total comprehensive surplus (deficit) for the 7 months		254 299	(525 136)

The Society for Industrial and Organisational Psychology of South Africa
Annual Financial Statements for the 7 months ended 31 July 2013

Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
Balance at 01 January 2012	-	2 980 042	2 980 042
Deficit for the 7 months	-	(525 136)	(525 136)
Other comprehensive surplus	-	-	-
Total comprehensive deficit for the 7 months	-	(525 136)	(525 136)
Transfer between reserves	247 368	-	247 368
Total contributions by and distributions to owners of company recognised directly in equity	247 368	-	247 368
Balance at 01 January 2013	247 368	2 454 906	2 702 274
Surplus for the 7 months	-	254 299	254 299
Other comprehensive surplus	-	-	-
Total comprehensive income for the 7 months	-	254 299	254 299
Balance at 31 July 2013	247 368	2 709 205	2 956 573

Note(s)

The Society for Industrial and Organisational Psychology of South Africa
Annual Financial Statements for the 7 months ended 31 July 2013

Statement of Cash Flows

Figures in Rand	Note(s)	2013	2012
Cash flows from operating activities			
Cash generated from (used in) operations	10	259 849	(484 688)
Interest income		50 760	122 392
Net cash from operating activities		310 609	(362 296)
Cash flows from investing activities			
Purchase of other intangible assets	3	(99 140)	(43 860)
Purchase of financial assets		(1 965 800)	-
Net cash from investing activities		(2 064 940)	(43 860)
Cash flows from financing activities			
Total cash movement for the 7 months		(1 754 331)	(406 156)
Cash at the beginning of the 7 months		2 357 164	2 763 320
Total cash at end of the 7 months	6	602 833	2 357 164

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the 7 months ended 31 July 2013

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with entity specific reporting framework, and the entity's constitution. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
IT equipment	3 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are initially recognised at cost.

All research and development costs are recognised as an expense unless they form part of the cost of another asset that meets the recognition criteria.

If the entity is unable to make a reliable estimate of the useful life of an intangible asset, the life is presumed to be 10 years.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software, other	3 years

Accounting Policies

1.3 Financial instruments

Financial instruments at amortised cost

Debt instruments, as defined in the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

1.4 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

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Notes to the Annual Financial Statements

Figures in Rand

2013 2012

2. Property, plant and equipment

	2013			2012		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
IT equipment	27 234	(27 233)	1	27 234	(24 953)	2 281

Reconciliation of property, plant and equipment - 2013

	Opening balance	Depreciation	Total
IT equipment	2 281	(2 280)	1

Reconciliation of property, plant and equipment - 2012

	Opening balance	Depreciation	Total
IT equipment	8 956	(6 675)	2 281

3. Intangible assets

	2013			2012		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	189 187	(102 445)	86 742	90 047	(39 383)	50 664

Reconciliation of intangible assets - 2013

	Opening balance	Additions	Amortisation	Total
Computer software	50 664	99 140	(63 062)	86 742

Reconciliation of intangible assets - 2012

	Opening balance	Additions	Amortisation	Total
Computer software	29 510	43 860	(22 706)	50 664

4. Other financial assets

At amortised cost

Investment - Stanlib Fund of Funds SA

1 965 800

Current assets

At amortised cost

1 965 800

5. Trade and other receivables

Trade receivables

1 107 831

266 472

VAT

51 791

1 107 831

318 263

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Notes to the Annual Financial Statements

Figures in Rand	2013	2012
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	602 833	2 357 164
7. Trade and other payables		
Trade payables	732 713	11 098
VAT	39 362	-
Accrued audit fees	24 800	15 000
Other payables	9 759	-
	806 634	26 098
8. Taxation		
No provision has been made for 2013 tax as the entity is exempt from income tax as per section 10(1)(d)(iii) / (iv)(aa) / (iv)(bb) of the Income Tax Act.		
9. Reviewers' remuneration		
Fees	9 800	15 000
10. Cash generated from (used in) operations		
Surplus (deficit) before taxation	254 299	(525 136)
Adjustments for:		
Depreciation and amortisation	65 342	29 378
Interest received - investment	(50 760)	(122 392)
Changes in working capital:		
Trade and other receivables	(789 568)	121 206
Trade and other payables	780 536	12 256
	259 849	(484 688)

The Society for Industrial and Organisational Psychology of South Africa
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Detailed Income Statement

Figures in Rand	Note(s)	2013	2012
Revenue			
Conference and events		1 782 158	156 302
Miscellaneous other revenue		410 947	636 137
		2 193 105	792 439
Cost of sales			
Conference and Regional costs		(1 164 462)	(225 293)
Gross surplus		1 028 643	567 146
Other income			
Interest received		50 760	122 392
Operating expenses			
Accounting fees		(17 538)	(21 670)
Administration and management fees		(127 349)	-
Advertising, marketing and promotions		-	(6 963)
Bad debts		-	(184 576)
Bank charges		(37 387)	(15 648)
Cartage		(117 641)	(108 781)
Computer expenses		(16 698)	(5 698)
Depreciation		(65 342)	(29 378)
Employee costs		(317 928)	-
Insurance		(1 208)	(1 824)
Lease rentals on operating lease		(84 034)	(87 679)
Legal expenses		(8 368)	-
Postage		(1 084)	(727)
Printing and stationery		(7 144)	(20 141)
Reviewer's remuneration	9	(9 800)	(15 000)
Secretarial fees		-	(689 465)
Subscriptions		(4 019)	(6 108)
Telephone and fax		(9 564)	(21 016)
		(825 104)	(1 214 674)
Surplus (deficit) for the 7 months		254 299	(525 136)