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**The Society for Industrial and Organisational Psychology of South Africa
(Registration number 042-531-NPO)
Annual Financial Statements
for the year ended 31 July 2017**

These annual financial statements were prepared by:
Rentia de Bruyn
Financial Controller

These annual financial statements have been independently reviewed in compliance with the applicable requirements of the Non-Profit Organisations Act No.71 of 1997 and the association's constitution.

Issued 30 April 2018

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Professional membership organisation
Registered office	121 Boshoff Street Nieuw Muckleneuk Brooklyn Pretoria 0181
Business address	Southdowns Ridge Office Park John Vorster Drive Centurion Pretoria 0062
Postal address	PO Box 577 Fontainebleau Randburg Gauteng 2032
Bankers	Standard Bank
Reviewers	Centacc (Pty) Ltd Professional Accountant (SA)
Registration number	042-531-NPO
Tax reference number	9399840157
Level of assurance	These annual financial statements have been independently reviewed in compliance with the applicable requirements of the Non-Profit Organisations Act No.71 of 1997 and the association's constitution.
Preparer	The annual financial statements were internally compiled by: Rentia de Bruyn Financial Controller
Issued	30 April 2018

The Society for Industrial and Organisational Psychology of South Africa

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

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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 Non-Profit Organisations Act No.71 of 1997 and the association's 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 association 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 International Financial Reporting Standard for Small and Medium-sized Entities.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities 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 association 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 association and all employees 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 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 association'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 association has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The annual financial statements set out on pages 6 to 19, which have been prepared on the going concern basis, were approved by the board on 30 April 2018 and were signed on its behalf by:



Manoko Ratala



William van Aarde



PROFESSIONAL ACCOUNTANT (SA)
INDEPENDENT REVIEWER (SA)
GENERAL TAX PRACTITIONER (SA)
OFFICE 087.702.9620
info@centacc.co.za
www.centacc.co.za

Route 21 Corporate Park,
Building B, 5 Regency Dr.
Irene K30, 0062

Postnet Suite #233
Private Bag K32
Highveld Park, 0169

Independent Reviewer's Report

To the members 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 18, which comprise the statement of financial position as at 31 July 2017 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Board Members' Responsibility for the Annual Financial Statements

The association's board members are responsible for the preparation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non-Profit Organisations Act No.71 of 1997 and the association's constitution, and for such internal control as the board members determine necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer Responsibility

Our responsibility is to express a conclusion on these annual financial statements. We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2400 (Revised), Engagements to Review annual financial statements. ISRE 2400 (Revised) 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 annual financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review 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.

DIRECTOR | D.J. SWART



Independent Reviewer's Report

Unqualified Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these 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 2017, 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 Non-Profit Organisations Act No.71 of 1997 and the association's constitution.



Centacc (Pty) Ltd
DJ Swart
Director
Professional Accountant (SA)

30 April 2018
Pretoria

DIRECTOR | D.J. SWART



The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Board Members' Report

The board members have pleasure in submitting their report on the annual financial statements of The Society for Industrial and Organisational Psychology of South Africa for the year ended 31 July 2017.

1. Establishment

The association was registered with the Department: Social Development on 05 August 2005.

2. Nature of business

The Society for Industrial and Organisational Psychology of South Africa was established in South Africa with interests in the non-profit industry. The association operates in South Africa.

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Non-Profit Organisations Act No.71 of 1997 and the association's constitution. 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 association are set out in these annual financial statements.

4. Board Members

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

Board Members	Position	Elected at AGM on
Manoko Ratala	President	20 July 2016
William van Aarde	Treasurer	20 July 2016
Alison Felix	Secretary	20 July 2016
Kim Dowdeswell	Transformation	20 July 2016
Shirleen Titus	President-Elect	20 July 2016

5. 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.

6. Going concern

The board members believe 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 board members have 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 board members are not aware of any new material changes that may adversely impact the association. 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 association.

7. Review

The financial statements are subject to an independent review and have been reviewed by Centacc (Pty) Ltd

8. Acknowledgements

Thanks and appreciation are extended to all of our members, volunteers, staff and suppliers for their continued support of the association.

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Statement of Financial Position as at 31 July 2017

	Notes	2017 R	2016 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	1	11 318
Intangible assets	3	6 650	1
		6 651	11 319
Current Assets			
Trade and other receivables	4	1 482 253	472 810
Other financial assets	5	580 277	795 480
Cash and cash equivalents	6	333 754	831 010
		2 396 284	2 099 300
Total Assets		2 402 935	2 110 619
Equity and Liabilities			
Equity			
Retained income		2 049 345	1 635 137
Liabilities			
Current Liabilities			
Trade and other payables	7	353 590	475 482
Total Equity and Liabilities		2 402 935	2 110 619

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Statement of Comprehensive Income

	Note(s)	2017 R	2016 R
Revenue	8	3 951 869	3 074 713
Cost of sales	9	(1 233 947)	(1 145 674)
Gross profit		2 717 922	1 929 039
Operating expenses		(2 301 289)	(2 499 628)
Operating profit (loss)		416 633	(570 589)
Investment revenue	11	43 247	79 535
Fair value adjustments	12	(45 672)	-
Profit (loss) for the year		414 208	(491 054)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		414 208	(491 054)

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Statement of Changes in Equity

	Share capital	Retained income	Total equity
	R	R	R
Balance at 01 August 2015	247 368	2 126 191	2 373 559
Loss for the year	-	(491 054)	(491 054)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(491 054)	(491 054)
Prior period error	(247 368)	-	(247 368)
Total changes	(247 368)	-	(247 368)
Balance at 01 August 2016	-	1 635 137	1 635 137
Profit for the year	-	414 208	414 208
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	414 208	414 208
Balance at 31 July 2017	-	2 049 345	2 049 345

The Society for Industrial and Organisational Psychology of South Africa

Annual 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		2 124 078	2 368 569
Cash paid to suppliers and employees		(2 824 138)	(3 117 292)
Cash used in operations	10	(700 060)	(748 723)
Interest income		36 902	68 932
Dividends received		6 345	10 603
Net cash from operating activities		(656 813)	(669 188)
Cash flows from investing activities			
Purchase of other intangible assets	3	(9 974)	-
Sale of financial assets		169 531	1 020 542
Net cash from investing activities		159 557	1 020 542
Cash flows from financing activities			
Reduction of share capital or buy back of shares		-	(247 368)
Total cash movement for the year		(497 256)	103 986
Cash at the beginning of the year		831 010	727 024
Total cash at end of the year	6	333 754	831 010

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Non-Profit Organisations Act No.71 of 1997 and the association'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 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 annual financial statements.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the supply of goods or services, 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 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 as follows:

Item	Depreciation method	Average useful life
IT equipment	Straight line	3 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

1.3 Intangible assets

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

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

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

Item	Useful life
Computer software, other	3 years

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

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Accounting Policies

1.3 Intangible assets (continued)

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.4 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of 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 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 there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through profit and loss.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Revenue

Revenue is recognised to the extent that the association has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the association. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

Accounting Policies

1.7 Revenue (continued)

Dividends are recognised, in profit or loss, when the association's right to receive payment has been established.

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
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2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
IT equipment	61 184	(61 183)	1	61 184	(49 866)	11 318

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Total
IT equipment	11 318	(11 317)	1

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Total
IT equipment	22 635	(11 317)	11 318

3. Intangible assets

	2017			2016		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software, other	199 161	(192 511)	6 650	189 187	(189 186)	1

Reconciliation of intangible assets - 2017

	Opening balance	Additions	Amortisation	Total
Computer software, other	1	9 974	(3 325)	6 650

Reconciliation of intangible assets - 2016

	Opening balance	Total
Computer software, other	1	1

4. Trade and other receivables

Trade receivables	1 462 271	472 810
Deposits	19 982	-
	1 482 253	472 810

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
5. Other financial assets		
At fair value		
Unit trusts	580 277	795 480
Current assets		
At fair value	580 277	795 480
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	333 754	831 010
7. Trade and other payables		
Trade payables	3	2
VAT	272 947	53 912
Accrued leave pay	30 879	13 664
Accrued bonus	41 266	400 954
Accrued independent review fees	8 495	6 950
	353 590	475 482
8. Revenue		
Rendering of services	3 951 869	3 074 713
9. Cost of sales		
Rendering of services		
Cost of services	1 233 947	1 145 674
10. Cash used in operations		
Profit (loss) before taxation	414 208	(491 054)
Adjustments for:		
Depreciation and amortisation	14 642	11 317
Dividends received	(6 345)	(10 603)
Interest received	(36 902)	(68 932)
Fair value adjustments	45 672	-
Other non-cash items	-	2
Changes in working capital:		
Trade and other receivables	(1 009 443)	(184 805)
Trade and other payables	(121 892)	(4 648)
	(700 060)	(748 723)

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
11. Investment revenue		
Dividend revenue		
Unit trusts - Local	6 345	10 603
Interest revenue		
Unit trusts	24 124	68 932
Bank	12 778	-
	36 902	68 932
	43 247	79 535
12. Fair value adjustments		
Other financial assets	(45 672)	-

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Notes to the Annual Financial Statements

13. Categories of financial instruments

	Note(s)	Financial assets at fair value through profit or loss	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2017							
Assets							
Non-Current Assets							
Property, plant and equipment	2	-	-	-	-	1	1
Intangible assets	3	-	-	-	-	6 650	6 650
		-	-	-	-	6 651	6 651
Current Assets							
Other financial assets	5	580 277	-	-	-	-	580 277
Trade and other receivables	4	-	1 482 253	-	-	-	1 482 253
Cash and cash equivalents	6	-	333 754	-	-	-	333 754
		580 277	1 816 007	-	-	-	2 396 284
Total Assets		580 277	1 816 007	-	-	6 651	2 402 935
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent:							
Accumulated profit		-	-	-	-	2 049 345	2 049 345
Total Equity		-	-	-	-	2 049 345	2 049 345
Liabilities							
Current Liabilities							
Trade and other payables	7	-	-	80 640	272 947	-	353 587
Total Liabilities		-	-	80 640	272 947	-	353 587
Total Equity and Liabilities		-	-	80 640	272 947	2 049 345	2 402 932

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Notes to the Annual Financial Statements

13. Categories of financial instruments (continued)

	Note(s)	Financial assets at fair value through profit or loss	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2016							
Assets							
Non-Current Assets							
Property, plant and equipment	2	-	-	-	-	11 318	11 318
Intangible assets	3	-	-	-	-	1	1
		-	-	-	-	11 319	11 319
Current Assets							
Other financial assets	5	795 480	-	-	-	-	795 480
Trade and other receivables	4	-	472 810	-	-	-	472 810
Cash and cash equivalents	6	-	831 010	-	-	-	831 010
		795 480	1 303 820	-	-	-	2 099 300
Total Assets		795 480	1 303 820	-	-	11 319	2 110 619
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent:							
Accumulated profit		-	-	-	-	1 635 137	1 635 137
Total Equity		-	-	-	-	1 635 137	1 635 137
Liabilities							
Current Liabilities							
Trade and other payables	7	-	-	421 568	53 912	-	475 480
Total Liabilities		-	-	421 568	53 912	-	475 480
Total Equity and Liabilities		-	-	421 568	53 912	1 635 137	2 110 617

The Society for Industrial and Organisational Psychology of South Africa

Annual Financial Statements for the year ended 31 July 2017

Detailed Income Statement

	Notes	2017 R	2016 R
Revenue	8	3 951 869	3 074 713
Cost of sales	9	(1 233 947)	(1 145 674)
Gross profit		2 717 922	1 929 039
Other income			
Dividends received	11	6 345	10 603
Interest received	11	36 902	68 932
		43 247	79 535
Operating expenses			
Accounting fees		(12 349)	(26 892)
Advertising		(15 860)	(1 122)
Bad debts		(365 568)	-
Bank charges		(18 296)	(17 428)
Catering		(6 204)	(6 382)
Computer expenses		(96 669)	(93 264)
Consulting and professional fees		(101 574)	(7 281)
Depreciation, amortisation and impairments		(14 642)	(11 317)
Donations		(35 000)	(5 500)
Employee costs		(1 334 777)	(1 834 504)
Entertainment		-	(5 756)
Fines and penalties		(2 496)	-
Insurance		(5 302)	(5 131)
Lease rentals on operating lease		(153 067)	(247 264)
Legal expenses		-	(5 566)
Postage		-	(99)
Printing and stationery		(1 475)	(439)
Repairs and maintenance		(3 000)	-
Subscriptions		(33 780)	(31 878)
Telephone and fax		(26 646)	(23 866)
Travel - local		(74 584)	(138 151)
Travel - overseas		-	(37 788)
		(2 301 289)	(2 499 628)
Operating profit (loss)		459 880	(491 054)
Fair value adjustments	12	(45 672)	-
Profit (loss) for the year		414 208	(491 054)