



SIOPSA

SOCIETY FOR INDUSTRIAL &
ORGANISATIONAL PSYCHOLOGY OF SA

**THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL
PSYCHOLOGY OF SOUTH AFRICA**

(Registration number 042-531 NPO)

Annual Financial Statements
for the year ended 28 February 2021

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2021

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Professional membership organisation
Members	D. Oosthuizen - Treasurer Dr.N. Winkler-Titus - President A. Ewinyo - Secretary Prof. Crystal Hoole - President elect Dr. R. Kock - Transformation & Inclusion Dr. M. Bouwers - Past president
Auditor	C.J. van Dyk (C.A.)S.A. Chartered Accountants (S.A.) Registered Auditors Menlyn Woods Office Park 291 Sprite Avenue Faerie Glen Pretoria 0081
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Nonprofit Organisations Act 71 of 1997.

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2021

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Published

17 June 2021

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Members' Responsibilities and Approval

The members are required by the Non-profit organisations Act of South Africa 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit organisation, and explain the transactions and financial position of the business of the non-profit organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit organisation and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the on-profit organisation and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members set 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 non-profit organisation and all employees are required to maintain the highest ethical standards in ensuring the non-profit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit organisation is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit organisation. While operating risk cannot be fully eliminated, the non-profit 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 members are of the opinion, based on the information and explanations given by management and the external auditor, 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the members have no reason to believe that the nonprofit organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the non-profit organisation.

The annual financial statements have been audited by the independent auditing firm, C.J. van Dyk (C.A.)S.A., who has been given unrestricted access to all financial records and related data, including minutes of all meetings of the member, the members and committees of the members. The members believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 4 to 5.

The annual financial statements set out on page 4, were approved by all members on 17 June 2021 and have been signed by them or on their behalf by:

Approval of annual financial statements

Danie Oosthuizen

D. Oosthuizen - Treasurer

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Members' Report

The members submit their report for the year ended 28 February 2021.

1. Review of activities

Main business and operations

The organisation is engaged in professional membership organisation and operates principally in South Africa.

The operating results for the year were [pleasing/satisfactory/disappointing] for the following reasons. The financial position of the organisation is [describe].

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after the reporting period

The members are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

4. Members

The members of the organisation during the year and to the date of this report are as follows:

Name

D. Oosthuizen - Treasurer

Dr.N. Winkler-Titus - President

A. Ewinyo - Secretary

Prof. Crystal Hoole - President elect

Dr. R. Kock - Transformation & Inclusion

Dr. M. Bouwers - Past president

5. Auditor

C.J. van Dyk (C.A.)S.A. was the independent auditor for the year under review.

C.J. van Dyk (C.A.) S.A.

Chartered accountants / Geoktrooieerde rekenmeesters

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Block D, First floor
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Independent Auditor's Report

To the Member of THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

Opinion

I have audited the annual financial statements of THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA (the organisation) set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2021, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In my opinion, the annual financial statements present fairly, in all material respects, the financial position of THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA as at 28 February 2021, 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 Nonprofit Organisations Act 71 of 1997.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of my report. I am 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 annual financial statements in South Africa. I have fulfilled my 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The members are responsible for the other information. The other information comprises the information included in the document titled "THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA annual financial statements for the year ended 28 February 2021", which includes the Members' Report as required by the Nonprofit Organisations Act 71 of 1997, which I obtained prior to the date of this report. The other information does not include the annual financial statements and my auditor's report thereon.

My opinion on the annual financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the annual financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the Members for the Annual Financial Statements

The members are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Nonprofit Organisations Act 71 of 1997, and for such internal control as the members determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 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 Annual Financial Statements

My objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



C.J. van Dyk (C.A.)S.A.
Partner
Chartered Accountant (SA)
Registered Auditors

17 June 2021
Pretoria
Menlyn Woods Office Park
291 Sprite Avenue
Faerie Glen
Pretoria
0081

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2021

Statement of Financial Position as at 28 February 2021

Figures in Rand	Note(s)	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	21 045	33 618
Other financial assets	3	578 473	509 562
		599 518	543 180
Current Assets			
Trade and other receivables	4	214 602	284 096
Cash and cash equivalents		2 037 145	1 749 000
		2 251 747	2 033 096
Total Assets		2 851 265	2 576 276
Equity and Liabilities			
Member's interest and reserves			
Retained income		1 521 159	1 499 895
Liabilities			
Current Liabilities			
Trade and other payables	5	123 963	72 595
Unutilised grants	6	1 206 143	1 003 786
		1 330 106	1 076 381
Total Equity and Liabilities		2 851 265	2 576 276

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2021	2020
Revenue			
Rendering of services		1 574 144	3 011 209
Cost of sales			
Purchases		(350 215)	(1 270 452)
Gross surplus		1 223 929	1 740 757
Other income			
Discount received		-	662
Recoveries		682	666
		682	1 328
Operating expenses			
Accounting fees		(128 040)	(120 000)
Advertising		(11 523)	(298 175)
Bad debts		(27 727)	-
Bank charges		(21 657)	(24 881)
Computer expenses		(131 158)	(108 718)
Consulting and professional fees		(3 500)	-
Depreciation, amortisation and impairments		(12 573)	(4 209)
Donations		-	(140 000)
Employee costs		(861 446)	(536 004)
Gifts		(1 006)	(2 100)
Insurance		(6 498)	(6 853)
Lease rentals on operating lease		(24 876)	(34 504)
Loss on foreign exchange		(6 840)	(178)
Minor assets		-	(5 317)
Printing and stationery		-	(10 724)
Repairs and maintenance		-	(1 794)
Staff welfare		(3 493)	(8 489)
Storage		(9 509)	(10 571)
Subscriptions		(41 892)	(52 133)
Telephone and fax		(23 538)	(30 480)
Travel - local		(2 646)	(60 576)
		(1 317 922)	(1 455 706)
Operating (deficit) surplus		(93 311)	286 379
Investment income		114 575	106 623
Surplus for the year		21 264	393 002
Other comprehensive income		-	-
Total comprehensive surplus for the year		21 264	393 002

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2019	1 106 893	1 106 893
Surplus for the year	393 002	393 002
Other comprehensive income	-	-
Total comprehensive income for the year	393 002	393 002
Balance at 01 March 2020	1 499 895	1 499 895
Surplus for the year	21 264	21 264
Other comprehensive income	-	-
Total comprehensive income for the year	21 264	21 264
Balance at 28 February 2021	1 521 159	1 521 159

Note(s)

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Statement of Cash Flows

Figures in Rand	Note(s)	2021	2020
Cash flows from operating activities			
Cash generated from operations		242 481	1 237 969
Interest income		114 575	106 623
Net cash from operating activities		357 056	1 344 592
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(37 825)
Purchase of financial assets		(68 911)	(34 249)
Net cash from investing activities		(68 911)	(72 074)
Total cash movement for the year		288 145	1 272 518
Cash at the beginning of the year		1 749 000	476 481
Total cash at end of the year		2 037 145	1 748 999

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Nonprofit Organisations Act 71 of 1997. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 assets which the organisation holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the organisation and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organisation.

The useful lives of items of property, plant and equipment have been assessed as follows:

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

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

1.2 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 surplus or deficit) 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.

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Accounting Policies

1.2 Financial instruments (continued)

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, without undue cost or effort, are measured at fair value through surplus and deficit.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.3 Revenue

Revenue is recognised to the extent that the organisation 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 organisation. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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 2021 2020

2. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	99 009	(77 965)	21 044	99 009	(65 392)	33 617
Computer software	326 984	(326 983)	1	326 984	(326 983)	1
Total	425 993	(404 948)	21 045	425 993	(392 375)	33 618

Reconciliation of property, plant and equipment - 2021

	Opening balance	Depreciation	Closing balance
IT equipment	33 617	(12 573)	21 044
Computer software	1	-	1
	33 618	(12 573)	21 045

3. Other financial assets

At fair value

Stanlib Investment	578 473	509 562
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This investment represents 334678 units of the Stanlib Balanced Cautious Fund B1.

Non-current assets

At fair value	578 473	509 562
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4. Trade and other receivables

Trade receivables	46 107	255 068
Deposits	168 495	20 882
VAT	-	8 146
	214 602	284 096

5. Trade and other payables

Trade payables	23 987	46 216
VAT	39 342	-
Accrued leave pay	52 271	18 498
PAYE, SDL & Accrual	8 363	7 881
	123 963	72 595

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Annual Financial Statements for the year ended 28 February 2021

Notes to the Annual Financial Statements

Figures in Rand

2021

2020

6. Unutilised grants

Reconciliation of unutilised grants - 2021

	Opening balance	Receipts	Utilised during the year	Total
Special projects	1 003 786	-	(5 313)	998 473
SIOPSA Foundation	-	200 000	-	200 000
Memberships	-	7 670	-	7 670
	1 003 786	207 670	(5 313)	1 206 143

7. Taxation

No provision has been made for 2019 tax as the company is registered as a tax -exempt organisation in terms of section 10(1)(CN) of the Income Tax Act.