



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 2023

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Professional membership organisation
Auditor	C.J. van Dyk (C.A.)S.A. Chartered Accountant (SA) Registered Auditors
Level of assurance	The annual financial statements are audited.

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2023

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

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Published

13 June 2023

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Annual Financial Statements for the year ended 28 February 2023

Members' Responsibilities and Approval

The members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The accounting officer is responsible to determine that the annual financial statements are in agreement with the accounting records, summarised in the manner required by section 58(2)(d) of the Act.

The members are also responsible for the organisation's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on the going concern basis, since the members have every reason to believe that the organisation has adequate resources in place to continue in operation for the foreseeable future.

The members of the organisation confirm that as at 28 February 2023, the assets of the organisation exceeded its liabilities.

The annual financial statements set out on pages 4 to 14, were approved by all members on 13 June 2023 and have been signed by them or on their behalf by:

Approval of annual financial statements



M. Giese - 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 2023.

1. Review of activities

Main business and operations

The organisation is engaged as a professional membership organisation 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.

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.

The fact that the total liabilities exceed the assets has not hindered the organisation's ability to pay its debts as they become due in the normal 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

M. Giese - Treasurer

Dr. S. Munyaka - President

Dr. R. Kock - President elect

L. Langa - Secretary

Prof. C. Hoole - Past President

5. Auditor

C.J. van Dyk (C.A.)S.A. was the auditor during the last financial period.

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

Chartered accountants / Geoktrooieerde rekenmeesters

Menlyn Woods Office park
Block D, First floor
291 Sprite Avenue
Faerie Glen, Pretoria
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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 close corporation) set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2023, 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 2023, 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 Organisation 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 Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

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 2023", which includes the Members' Report as required by the Nonprofit Organisation Act 71 of 1997 and the supplementary information as set out on pages 8 to 14. 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.

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 Organisation 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.

Independent Auditor's Report

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

13 June 2023
Pretoria

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

(Registration number: 042-531 NPO)

Annual Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

Figures in Rand	Note(s)	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment	2	16 785	8 473
Other financial assets	3	636 128	614 304
		<u>652 913</u>	<u>622 777</u>
Current Assets			
Trade and other receivables	4	152 524	95 705
Cash and cash equivalents		2 617 905	2 353 953
		<u>2 770 429</u>	<u>2 449 658</u>
Total Assets		<u>3 423 342</u>	<u>3 072 435</u>
Equity and Liabilities			
Member's interest and reserves			
Retained income		<u>2 984 352</u>	<u>2 041 717</u>
Liabilities			
Current Liabilities			
Trade and other payables	5	173 091	125 035
Unutilised grants	6	265 899	905 683
		<u>438 990</u>	<u>1 030 718</u>
Total Equity and Liabilities		<u>3 423 342</u>	<u>3 072 435</u>

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2023	2022
Revenue			
Rendering of services		2 658 125	2 022 853
Cost of sales			
Purchases		(358 790)	(297 412)
Gross profit		2 299 335	1 725 441
Other income			
Recoveries		706	654
Grants recieved		8 133	43 141
		8 839	43 795
Operating expenses			
Accounting fees		(131 086)	(132 000)
Advertising		-	(866)
Bank charges		(26 261)	(27 529)
Computer expenses		(191 346)	(97 132)
Depreciation, amortisation and impairments		(16 582)	(12 572)
Employee costs		(939 472)	(941 429)
Fair value losses		(3 768)	-
Insurance		(7 578)	(7 016)
Lease rentals on operating lease		(35 730)	(35 788)
MANCO Meeting expenses		(6 058)	-
Office expenses		(450)	(8 265)
Printing and stationery		(1 463)	-
Staff training		(1 350)	-
Staff welfare		(4 520)	-
Storage expenses		(14 387)	(11 496)
Subscriptions		(66 013)	(44 104)
Telephone and fax		(24 425)	(24 859)
Travel - local		(8 842)	-
Workmans Compensation		(9 550)	-
		(1 488 881)	(1 343 056)
Operating profit		819 293	426 180
Investment income		123 342	94 379
Profit for the year		942 635	520 559
Other comprehensive income		-	-
Total comprehensive income for the year		942 635	520 559

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2021	1 521 158	1 521 158
Profit for the year	520 559	520 559
Other comprehensive income	-	-
Total comprehensive income for the year	520 559	520 559
Balance at 01 March 2022	2 041 717	2 041 717
Profit for the year	942 635	942 635
Other comprehensive income	-	-
Total comprehensive income for the year	942 635	942 635
Balance at 28 February 2023	2 984 352	2 984 352

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Statement of Cash Flows

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Cash receipts from customers		2 606 564	2 092 604
Cash paid to suppliers and employees		(2 419 049)	(1 834 344)
Cash generated from operations		187 515	258 260
Interest income		123 155	94 379
Net cash from operating activities		310 670	352 639
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(24 894)	(35 831)
Proceeds from / (Purchases of) other financial assets		(21 824)	-
Net cash from investing activities		(46 718)	(35 831)
Total cash movement for the year		263 952	316 808
Cash and cash equivalents at the beginning of the year		2 353 953	2 037 145
Total cash at end of the year		2 617 905	2 353 953

THE SOCIETY FOR INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY OF SOUTH AFRICA

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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 Organisation 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 profit or loss 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 profit or loss 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 profit or loss 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 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.

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Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They 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 cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

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 profit or loss.

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 close corporation 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 close corporation. 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.

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Figures in Rand

2023

2022

2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
IT equipment	123 903	(107 119)	16 784	99 009	(90 537)	8 472
Computer software	326 984	(326 983)	1	326 984	(326 983)	1
Total	450 887	(434 102)	16 785	425 993	(417 520)	8 473

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	8 472	24 894	(16 582)	16 784
Computer software	1	-	-	1
	8 473	24 894	(16 582)	16 785

3. Other financial assets

At fair value

Stanlib Investment	636 128	614 304
This investment represents 358519.95 units of the Stanlib Balanced Cautious Fund B1		

Non-current assets

At fair value	636 128	614 304
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4. Trade and other receivables

Trade receivables	131 642	74 823
Deposits	20 882	20 882
	152 524	95 705

5. Trade and other payables

Trade payables	28 455	16 022
VAT	71 328	29 923
Accrued leave pay	57 120	70 184
PAYE, SDL & Accrual	6 260	8 906
Salary Accrual	9 928	-
	173 091	125 035

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Notes to the Annual Financial Statements

Figures in Rand

2023

2022

6. Unutilised grants

Reconciliation of unutilised grants - 2023

	Opening balance	Additions	Utilised during the year	Closing balance
Special Projects	751 547	24 000	(599 453)	176 094
SIOPSA Foundation	142 261	20 870	(100 870)	62 261
Memberships	11 875	15 969	(300)	27 544
	905 683	60 839	(700 623)	265 899

7. Taxation

No Provision has been made for 2023 tax as the company is registered as a tax - exempt organisation in terms of section 10(1)(CN) of the Income Tax Act.