

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

These financial statements have been audited.

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	The association is a scientific and educational non-profit organization aiming to bring together haematologists, physicians, scientists, nurses, technologists and administrators with an interest in and/or involved in the teaching, research, practice and promotion of haematology.
BOARD MEMBERS	Dr ZC Chapanduka Dr DA Jafta Dr C Swanepoel
REGISTERED OFFICE	Department of Haematology National Health Laboratory Tygerberg Hospital Room 901, 9th Floor Gold Avenue Tygerberg 7505
POSTAL ADDRESS	Department of Haematology National Health Laboratory Tygerberg Hospital Room 901, 9th Floor Gold Avenue Tygerberg 7505
AUDITORS	Exceed (Cape Town) Inc. Chartered Accountants (SA) Registered Auditor
LEVEL OF ASSURANCE	These financial statements have been audited.
PREPARER	The financial statements were independently compiled by: GA van Rhyn CA (S.A)
PUBLISHED	_____

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

INDEX

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

INDEX	PAGE
Independent Auditor's Report	3 - 5
Members' Responsibilities and Approval	6
Members' Report	7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12
Notes to the Financial Statements	13
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	14
Tax Computation	15

DRAFT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

Qualified Opinion

We have audited the financial statements of South African Society of Haematology (the organisation) set out on pages 8 to 13, which comprise the statement of financial position as at 31 July 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements of South African Society of Haematology for the year ended 31 July 2021 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the financial statements.

Basis for Qualified Opinion

We could not satisfy ourselves regarding the completeness, accuracy and occurrence of revenue as the organisation could not provide sufficient appropriate audit supporting documentation and no alternative procedures were possible based on the organisation's revenue system.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organisation in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together with the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Codes 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

Without further modifying our opinion, we draw attention to the accounting policies on page 12, which describes the basis of accounting. The financial statements are prepared in accordance with the entity's own accounting policies to satisfy the financial information needs of the organisation members. As a result, the financial statements may not be suitable for other purposes.

INDEPENDENT AUDITOR'S REPORT

Other Information

The board are responsible for the other information. The other information comprises the Board members' Report and the supplementary information as set out on pages 14 to 15. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Members' for the Financial Statements

The board members are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1 to the financial statements for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 board 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 our 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Exceed (Cape Town) Inc.
Chartered Accountants (S.A.)
Registered Auditor
Director: SM Louw
BELLVILLE**

DATE

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

BOARD MEMBERS' RESPONSIBILITIES AND APPROVAL

The board members are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation 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 basis of accounting described in Note 1. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the basis of accounting described in Note 1 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 organisation and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the 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 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 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 organisation's cash flow forecast for the year to 31 July 2022 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's financial statements. The financial statements have been examined by the board's external auditors and their report is presented on pages 3 to 5.

The financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved and signed by the board members on _____:

DR ZC CHAPANDUKA

DR DA JAFTA

DR C SWANEPOEL

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

BOARD MEMBERS' REPORT

The members have pleasure in submitting their report on the financial statements of South African Society of Haematology for the year ended 31 July 2021.

1. NATURE OF BUSINESS

South African Society of Haematology was registered in South Africa. The organisation is involved in the scientific and education industry. The organisation operates in South Africa.

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

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared in accordance with an entity specific basis of accounting. 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 organisation are set out in these financial statements.

3. BOARD MEMBERS

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

NAMES

Dr ZC Chapanduka

Dr DA Jaffa

Dr C Swanepoel

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 organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The board members have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the organisation. 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 organisation.

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2021

	Note	2021 R	2020 R
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	239 705	240 157
Total Assets		239 705	240 157
EQUITY AND LIABILITIES			
EQUITY			
Accumulated Funds		239 705	240 157
Total Equity and Liabilities		239 705	240 157

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 R	2020 R
Revenue	3	1 200	800
Operating expenses		(4 682)	(5 111)
Operating loss		(3 482)	(4 311)
Investment revenue	4	3 030	6 523
(Loss) profit for the year		(452)	2 212

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF CHANGES IN EQUITY

	Accumulated Funds R	Total equity R
Balance at 01 August 2019	237 945	237 945
Profit for the year	2 212	2 212
Balance at 01 August 2020	240 157	240 157
Loss for the year	(452)	(452)
Balance at 31 July 2021	239 705	239 705

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF CASH FLOWS

	Notes	2021 R	2020 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		1 200	800
Cash paid to suppliers and employees		(4 682)	(5 111)
Cash used in operations	5	(3 482)	(4 311)
Interest income		3 030	6 523
Net cash from operating activities		(452)	2 212
Total cash movement for the year		(452)	2 212
Cash at the beginning of the year		240 157	237 945
Total cash at end of the year	2	239 705	240 157

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

ACCOUNTING POLICIES

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The financial statements have been prepared on the historical cost basis. 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 which would significantly affect the financial statements.

1.2 TAX

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

1.3 REVENUE

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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

1.4 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

NOTES TO THE FINANCIAL STATEMENTS

	2021 R	2020 R
2. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Bank balances	<u>239 705</u>	<u>240 157</u>
3. REVENUE		
Membership fees	<u>1 200</u>	<u>800</u>
4. INVESTMENT REVENUE		
Interest revenue		
Bank	<u>3 030</u>	<u>6 523</u>
5. CASH USED IN OPERATIONS		
(Loss) profit before taxation	(452)	2 212
Adjustments for:		
Interest received	<u>(3 030)</u>	<u>(6 523)</u>
	<u>(3 482)</u>	<u>(4 311)</u>

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

DETAILED INCOME STATEMENT

	2021 R	2020 R
REVENUE		
Membership fees	1 200	800
OPERATING EXPENSES		
Bank charges	(285)	(297)
Website development	(4 397)	(4 814)
	(4 682)	(5 111)
Operating loss	(3 482)	(4 311)
Investment income	3 030	6 523
(Loss) profit for the year	(452)	2 212

DRAFT

SOUTH AFRICAN SOCIETY OF HAEMATOLOGY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

TAX COMPUTATION

	2021 R
Net loss per income statement	(452)
Permanent differences (Non-deductible/Non taxable items)	
Exempt income in terms of s10(1)(cN)	(4 230)
Non-deductible expenses in terms of s10(1)(cN)	4 682
	<u>452</u>
Tax thereon @ 28% in the Rand	<u>-</u>