

The Hospice Association of Kwa Zulu Natal (HAKZN)
(Registration number 002-408 NPO)
(PBO number 930023141)
Annual Financial Statements
for the year ended 31 March 2019

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Associations objective is: 1) To establish and co-ordinate a network of Hospices to care for terminally ill patients and their families in order to: a) Provide a multi-disciplinary, co-ordinated continuum of Hospice and community care. b) Provide palliative and supportive care in respect of physical, emotional and spiritual needs associated with the final stages of illness, the process of dying and bereavement. 2) To promote within the community and the hospital service the concept of Hospice care. 3) To create training programmes and research facilities.
Business address	59 Locksley Drive Sherwood 4091
Postal address	PO Box 28 Westville 3630
Bankers	Nedbank
Auditors	Logie Govender & Co Chartered Accountants (SA)
Secretary	Mrs H Patrick

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Index

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

	Page
Management Committees' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Management Committee Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11
Notes to the Annual Financial Statements	12

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Constitution of the Association.

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Management Committees' Responsibilities and Approval

The management committee is required by the Constitution of the Association, to maintain adequate accounting records and is 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 external auditors are engaged to express an independent opinion on the annual financial statements.

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 management committee 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 management committee to meet these responsibilities, the management committee 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 management committee 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 management committee has reviewed the Association's cash flow forecast for the year to 31 March 2020 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.

Approval of annual financial statements

Chairperson

Vice Chairperson

Treasurer

Secretary

Wednesday, 10 July 2019

Logie Govender & Co

Chartered Accountants (SA)
Registered Auditors
Prop: L Govender
Bcom (Unisa) CTA (UDW) CA (SA)
Practice No: 910120E

LOGIE GOVENDER HOUSE
691 Umgeni Road
Durban
4001
P.O.BOX 47682
GREYVILLE 4023
Phone : (031) 3127521/3127607
Fax : (031) 3129250
email: office@logiegovender.co.za

Independent Auditor's Report

To the shareholders of The Hospice Association of Kwa Zulu Natal (HAKZN)

Opinion

We have audited the annual financial statements of The Hospice Association of Kwa Zulu Natal (HAKZN) set out on pages 7 to 12, which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of The Hospice Association of Kwa Zulu Natal (HAKZN) as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution of the Association.

Basis for opinion

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 annual financial statements section of our report. We are independent of the company 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. We have fulfilled our 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The management committee is responsible for the other information. The other information comprises the Management Committee Report as required by the Constitution of the Association, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our 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 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 management committee for the annual financial statements

The management committee is responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Constitution of the Association, and for such internal control as the management committee 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 management committee is responsible for assessing the Association'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 management committee either intend to liquidate the Association 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

Our 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 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 annual 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 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 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- Conclude on the appropriateness of the management committee 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 association'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 annual 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 association 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.

We communicate with the management committee 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.

Logie Govender & Co

Per: L Govender

**10 July 2019
Durban**

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Management Committee Report

The management committee have pleasure in submitting their report on the annual financial statements of The Hospice Association of Kwa Zulu Natal (HAKZN) and its associates for the year ended 31 March 2019.

1. Nature of business

The Associations objective is

- 1) To establish and co-ordinate a network of Hospices to care for dying patients and their families in order to:
 - a) Provide a multi-disciplinary, co-ordinated continuum of Hospice and community care.
 - b) Provide palliative and supportive care in respect of physical, emotional and spiritual needs associated with the final stages of illness, the process of dying and bereavement.
- 2) To promote within the community and the hospital service the concept of Hospice care.
- 3) To create training programmes and research facilities.

2. 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 Constitution of the Association. 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.

3. Management Committee

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

Members

Ms S Fakroodeen
Ms Di van Dyk
Mrs H Patrick
Ms Linda Webb

Designation

Chairperson
Vice Chairperson
Secretary
Treasurer

4. Events after the reporting period

The management committee is not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Auditors

Logie Govender & Co continued in office as auditors for the company for 2019.

6. Secretary

The company secretary is Mrs H Patrick.

Postal address

PO Box 28
Westville
3630

Business address

59 Locksley Drive
Sherwood
4091

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Statement of Financial Position as at 31 March 2019

Figures in Rand	Note(s)	2019	2018
Assets			
Current Assets			
Trade and other receivables	2	1,110	1,090
Cash and cash equivalents	3	234,488	212,656
		235,598	213,746
Total Assets		235,598	213,746
Equity and Liabilities			
Equity			
Retained income		234,858	213,005
Liabilities			
Current Liabilities			
Trade and other payables	4	740	741
Total Equity and Liabilities		235,598	213,746

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Statement of Comprehensive Income

Figures in Rand	Note(s)	2019	2018
Revenue			
Assessment fees received		500	3,500
Sponsorships		30,000	13,125
Subscriptions		7,400	7,770
	5	37,900	24,395
Other income			
Interest received	6	263	4,024
Operating expenses			
AGM expense		(728)	(356)
Advertising		(2,400)	(2,400)
Assessment fees		-	(4,582)
Bank charges		(1,127)	(1,722)
Donations		-	(10,000)
Flowers		(300)	-
Postage		(35)	-
Secretarial fees		(11,000)	(13,000)
Subscriptions written off		(720)	(1,750)
		(16,310)	(33,810)
Profit (loss) for the year		21,853	(5,391)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		21,853	(5,391)

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 April 2017	218,396	218,396
Loss for the year	(5,391)	(5,391)
Other comprehensive income	-	-
Total comprehensive loss for the year	(5,391)	(5,391)
Balance at 01 April 2018	213,005	213,005
Profit for the year	21,853	21,853
Other comprehensive income	-	-
Total comprehensive income for the year	21,853	21,853
Balance at 31 March 2019	234,858	234,858

Note(s)

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Statement of Cash Flows

Figures in Rand	Note(s)	2019	2018
Cash flows from operating activities			
Cash generated from (used in) operations	8	21,571	(7,315)
Interest income		261	4,025
Net cash from operating activities		21,832	(3,290)
Total cash movement for the year			
		21,832	(3,290)
Cash at the beginning of the year		212,656	215,946
Total cash at end of the year	3	234,488	212,656

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

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 Constitution of the Association. 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 Financial instruments

Financial instruments at amortised cost

These include loans, trade receivables and trade payables.

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.

1.2 Tax

Tax expenses

The association is exempt from income tax in terms of section 10(1)(cN) of the Act.

1.3 Revenue

Revenue is derived from sponsorships and subscriptions received.

The Hospice Association of Kwa Zulu Natal (HAKZN)

(Registration number: 002-408 NPO)

Annual Financial Statements for the year ended 31 March 2019

Notes to the Annual Financial Statements

Figures in Rand	2019	2018
2. Trade and other receivables		
Subscriptions	1,110	1,090
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	234,488	212,656
4. Trade and other payables		
Subscriptions received in advance	741	740
5. Revenue		
Subscriptions	7,400	7,770
Assessment fees received	500	3,500
Sponsorships	30,000	13,125
	37,900	24,395
6. Investment revenue		
Interest revenue		
Bank	263	4,024
7. Taxation		
The association is exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act.		
8. Cash generated from (used in) operations		
Profit (loss) before taxation	21,853	(5,391)
Adjustments for:		
Interest received	(263)	(4,024)
Changes in working capital:		
Trade and other receivables	(20)	1,360
Trade and other payables	1	740
	21,571	(7,315)