

ALLIED HEALTH PROFESSIONS COUNCIL OF SOUTH AFRICA

Financial statements
for the year ended December 31, 2015

**CC Britz-Coetzee Registered Auditor & CA(SA)
Chartered Accountant (S.A.)
Registered Auditor
Published February 17, 2016**

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

General Information

Country of incorporation and domicile	South Africa																																
Nature of business and principal activities	The Allied Health Professions Council of South Africa (AHPCSA) is a statutory health body established in terms of the Allied Health Professions Act, 63 of 1982 (the act) in order to control all allied health professions, which includes Ayurveda, Chinese Medicine and Acupuncture, Chiropractic, Homeopathy, Therapeutic Massage Therapy, Therapeutic Reflexology and Unani-Tibb.																																
Councillors	<table><tr><td>Mr Ivan Ka-Mbonane</td><td>(Legal)</td></tr><tr><td>Dr Frans Maruma</td><td>(Community Member)</td></tr><tr><td>Prof Michael Jobson</td><td>(Community Member)</td></tr><tr><td>Mr Bennett Asia</td><td>(Dept of Health Representative)</td></tr><tr><td>Dr Thirupathi Govender</td><td>(Professional Member)</td></tr><tr><td>Dr Imran Keeka</td><td>(Professional Member)</td></tr><tr><td>Dr Willem Boshoff</td><td>(Professional Member)</td></tr><tr><td>Dr Lallchund Latchminarain</td><td>(Professional Member)</td></tr><tr><td>Dr Patrick McDonald</td><td>(Professional Member)</td></tr><tr><td>Dr Craig Wright</td><td>(Professional Member)</td></tr><tr><td>Ms Suzette Davis</td><td>(Professional Member)</td></tr><tr><td>Ms Sandra Williams</td><td>(Professional Member)</td></tr><tr><td>Ms Sharon Du Raan</td><td>(Professional Member)</td></tr><tr><td>Dr Najwa Kisten</td><td>(Professional Member)</td></tr><tr><td>Prof Ashley Ross</td><td>(Professional Member)</td></tr><tr><td>Ms Linky Motlatoli</td><td>(Community Member)</td></tr></table>	Mr Ivan Ka-Mbonane	(Legal)	Dr Frans Maruma	(Community Member)	Prof Michael Jobson	(Community Member)	Mr Bennett Asia	(Dept of Health Representative)	Dr Thirupathi Govender	(Professional Member)	Dr Imran Keeka	(Professional Member)	Dr Willem Boshoff	(Professional Member)	Dr Lallchund Latchminarain	(Professional Member)	Dr Patrick McDonald	(Professional Member)	Dr Craig Wright	(Professional Member)	Ms Suzette Davis	(Professional Member)	Ms Sandra Williams	(Professional Member)	Ms Sharon Du Raan	(Professional Member)	Dr Najwa Kisten	(Professional Member)	Prof Ashley Ross	(Professional Member)	Ms Linky Motlatoli	(Community Member)
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Registered office	Castelli Suite II Villaggio 5 de Haviland Crescent South Persequor Technopark Pretoria 0001																																
Business address	Castelli Suite II Villaggio 5 de Haviland Crescent South Persequor Technopark Pretoria 0001																																
Postal address	Private Bag X4 Queenswood Pretoria 0121																																
Bankers	First National Bank																																
Auditor	CC Britz-Coetzee Registered Auditor & CA(SA) Chartered Accountant (S.A.) Registered Auditor																																

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

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

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

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Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Councillors' Responsibilities and Approval

The councillors 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 council 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 accounting policies as set out below. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the accounting policies as set out below, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The councillors acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the councillors to meet these responsibilities, the board 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 council and all employees are required to maintain the highest ethical standards in ensuring the council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the council is on identifying, assessing, managing and monitoring all known forms of risk across the council. While operating risk cannot be fully eliminated, the council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The councillors 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 councillors have reviewed the council's cash flow forecast for the year to December 31, 2016 and, in the light of this review and the current financial position, they are satisfied that the council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the council's financial statements. The financial statements have been examined by the council's external auditor and their report is presented on page 4.

The financial statements set out on page 5 to 16, which have been prepared on the going concern basis, were approved by the councillors on February 05, 2016 and were signed on its behalf by:

Dr Craig Wright (Chairperson)

Prof Ashley Ross (Vice Chairperson)

Dr Louis Mullinder (Registrar)

Independent Auditor's Report

To the members of ALLIED HEALTH PROFESSIONS COUNCIL OF SOUTH AFRICA

I have audited the financial statements of Allied Health Professions Council of South Africa, which comprise the statement of financial position as at December 31, 2015, 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.

Auditor's Responsibility

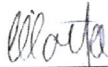
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Allied Health Professions Council of South Africa as at December 31, 2015, and its financial performance and cash flows for the year then ended in accordance with as set out in Note 1 to the financial statements, and in the manner required by the Allied Health Professions Act, Act 63 of 1982, as amended.



CC Britz-Coetzee Registered Auditor & CA(SA)
CC Coetzee
Chartered Accountant (S.A.)
Registered Auditor

February 17, 2016

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Councillors' Report

The report presented by the councillors is a constituent of the Allied Health Professions Council of South Africa financial statements for the year ended December 31, 2015.

1. Review of financial results and activities

The Allied Health Professions Council of South Africa (AHPCSA) is a statutory health body established in terms of the Allied Health Professions act, 63 of 1982 (the act) in order to control all allied health professions, which includes ayurveda, chinese medicine and acupuncture, chiropractic, homeopathy, naturopathy, osteopathy, phytotherapy, therapeutic aromatherapy, therapeutic massage therapy, therapeutic reflexology and unani-tibb and operates in South Africa.

The operating results and state of affairs of the council are fully set out in the financial statements and do not in our opinion require any further comment.

Net surplus of the council was R980 437 (2014: surplus R 1 022 934).

2. Councillors

The councillors during the year and to the date of this report are as follows.:

Councillors

Mr Ivan Ka-Mbonane
Dr Frans Maruma
Prof Michael Jobson
Mr Bennett Asia
Dr Thirpathi Govender
Dr Imran Keeka
Dr Willem Boshoff
Dr Lallchund Latchminarain
Dr Patrick McDonald
Dr Craig Wright
Ms Suzette Davis
Ms Sandra Williams
Ms Sharon Du Raan
Dr Najwa Kisten
Prof Ashley Ross
Ms Linky Motlatoli

3. Events after the reporting period

The councillors are not aware of any material event which occurred after the reporting date and up to the date of this report.

4. Auditors

External auditors of the Allied Health Professions Council of South Africa are CC Britz-Coetzee Registered Auditor & CA(SA)..

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Statement of Financial Position as at December 31, 2015

Figures in Rand	Note(s)	2015	2014
Assets			
Non-Current Assets			
Property, plant and equipment	2	2,627,418	2,579,183
Intangible assets	3	20,881	1
		2,648,299	2,579,184
Current Assets			
Trade and other receivables	4	9,371	35,181
Cash and cash equivalents	5	2,600,421	1,664,175
		2,609,792	1,699,356
Total Assets		5,258,091	4,278,540
Equity and Liabilities			
Equity			
Retained income		4,561,304	3,580,867
Liabilities			
Current Liabilities			
Trade and other payables	6	696,787	697,673
Total Equity and Liabilities		5,258,091	4,278,540

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Statement of Comprehensive Income

Figures in Rand	Note(s)	2015	2014
Revenue	7	3,584,014	3,167,107
Other income		-	519,163
Operating expenses		(2,760,168)	(2,741,647)
Operating profit		823,846	944,623
Investment revenue	8	156,591	78,309
Profit for the year		980,437	1,022,932
Other comprehensive income		-	-
Total comprehensive income for the year		980,437	1,022,932

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at January 01, 2014	2,557,935	2,557,935
Profit for the year	1,022,932	1,022,932
Other comprehensive income	-	-
Total comprehensive income for the year	1,022,932	1,022,932
Balance at January 01, 2015	3,580,867	3,580,867
Profit for the year	980,437	980,437
Other comprehensive income	-	-
Total comprehensive income for the year	980,437	980,437
Balance at December 31, 2015	4,561,304	4,561,304

Note(s)

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared 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.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

Taxation

In terms of section 10(1)(cA)i of the Income Tax Act, The Allied Health Professions Council of South Africa is exempt from South African Normal Taxation

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others 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.

Costs 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, which is as follows:

Item	Average useful life
Fixed Property	Indefinite
Furniture and fixtures	6 Years
Office equipment	6 Years
Computer equipment	3 Years
Kitchen equipment	5 Years

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

1.3 Intangible assets

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

Intangible assets are initially recognised at cost.

All research and development costs are recognised as an expense unless they form part of the cost of another asset that meets the recognition criteria.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate.

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

Item	Useful life
Computer software - database	3 Years

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Accounting Policies

1.4 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Notes to the Financial Statements

Figures in Rand

2015

2014

2. Property, plant and equipment

	2015			2014		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Fixed Property	2,579,178	-	2,579,178	2,579,178	-	2,579,178
Furniture and fixtures	57,828	(57,826)	2	57,828	(57,826)	2
Office equipment	97,063	(88,396)	8,667	88,398	(88,397)	1
Computer equipment	266,986	(227,416)	39,570	207,632	(207,631)	1
Kitchen equipment	4,198	(4,197)	1	4,198	(4,197)	1
Total	3,005,253	(377,835)	2,627,418	2,937,234	(358,051)	2,579,183

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Buildings	2,579,178	-	-	2,579,178
Furniture and fixtures	2	-	-	2
Office equipment	1	8,666	-	8,667
Computer equipment	1	59,354	(19,785)	39,570
Kitchen equipment	1	-	-	1
	2,579,183	68,020	(19,785)	2,627,418

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Disposals	Depreciation	Total
Fixed property	1,008,268	2,579,178	(1,008,268)	-	2,579,178
Furniture and fixtures	2	-	-	-	2
Office equipment	8,558	-	-	(8,557)	1
Computer equipment	1	-	-	-	1
Kitchen equipment	1	-	-	-	1
	1,016,830	2,579,178	(1,008,268)	(8,557)	2,579,183

Details of properties

Property 1

Castelli Suite II Villaggio, 5 de Havilland Crescent South, Persekor Technopark, Pretoria

- Purchase price: 22 April 2014

2,579,178 2,579,178

3. Intangible assets

	2015			2014		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software - database	258,084	(237,203)	20,881	237,204	(237,203)	1

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Notes to the Financial Statements

Figures in Rand

2015

2014

3. Intangible assets (continued)

Reconciliation of intangible assets - 2015

	Opening balance	Additions	Total
Computer software - database	1	20,880	20,881

Reconciliation of intangible assets - 2014

	Opening balance	Amortisation	Total
Computer software - database	25,195	(25,194)	1

4. Trade and other receivables

Trade receivables	9,371	35,181
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5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	323,168	340,649
Money Market Account	2,212,514	1,323,526
Bank balances - PBCO, PBARM, PBHNP & PBACMU	64,739	-
	2,600,421	1,664,175

6. Trade and other payables

Trade payables	22,665	20,996
Amounts received in advance	612,225	638,366
VAT	61,897	38,311
	696,787	697,673

7. Revenue

Annual fees and registration fees	3,520,206	3,167,107
CPD Accreditation Fees	63,808	-
	3,584,014	3,167,107

8. Investment revenue

Interest revenue		
Bank	156,591	78,309

9. Auditor's remuneration

Fees	45,000	45,000
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Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Notes to the Financial Statements

Figures in Rand	2015	2014
10. Cash generated from operations		
Profit before taxation	980,437	1,022,932
Adjustments for:		
Depreciation and amortisation	19,785	33,751
Interest received - investment	(156,591)	(78,309)
Changes in working capital:		
Trade and other receivables	25,810	(35,181)
Trade and other payables	(886)	697,673
	868,555	1,640,866

11. Related parties

Relationships

Councillors

Refer to councillors report note 3

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Council. Key management personnel include the councillors, committee members and the registrar.

12. Events after the reporting period

The financial statements were authorised for issue on Friday, February 05, 2016 by the councillors.

Allied Health Professions Council of South Africa

Financial Statements for the year ended December 31, 2015

Detailed Income Statement

Figures in Rand	Note(s)	2015	2014
Revenue			
Annual fees and registration fees		3,520,206	3,167,107
CPD Accreditation fees		63,808	-
	7	3,584,014	3,167,107
Other income			
Gains on disposal of assets		-	519,163
Interest received	8	156,591	78,309
		156,591	597,472
Operating expenses			
Accounting fees		256,625	264,000
Auditors remuneration	9	45,000	45,000
Bank charges		33,794	36,289
Conference centre expenses		83,367	59,963
Computer expenses		31,229	16,929
Depreciation, amortisation and impairments		19,785	33,751
Employee costs and honoraria		1,590,628	1,548,783
Adhoc meeting costs		11,392	26,687
E-filing		35,918	-
Insurance		7,045	10,478
Equipment Rentals		20,174	15,080
Legal expenses		136,222	151,795
Levies		22,451	12,593
Municipal expenses		59,827	39,507
Relocation cost		-	59,540
Professional fees		11,919	14,850
Courier and postage		33,007	3,519
Printing and stationery		20,939	29,513
Office expenses		18,264	-
Repairs and maintenance - buildings		8,233	16,153
License fees		20,683	-
Security		9,366	9,245
Software expenses - Website		71,692	67,021
Subscriptions, publications and recordings		9,239	24,633
Telephone and fax		31,090	39,574
Training		2,361	17,845
Travel - local		169,918	198,899
		2,760,168	2,741,647
Profit for the year		980,437	1,022,932