

# Ransome Russouw

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## REPORT OF THE INDEPENDENT AUDITORS

### **To the members of The Financial Aid Practitioners of South Africa (FAPSA)**

We have audited the accompanying annual financial statements of The Financial Aid Practitioners of South Africa (FAPSA), which comprise the statement of financial position as at 31 December 2014, the statement of comprehensive income, the statement of changes in reserves and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

### **Auditors' Responsibility**

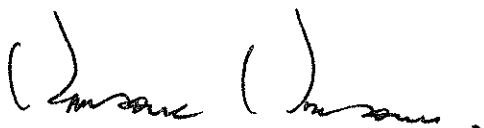
Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the annual 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 annual 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 the executive committee, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Council at 31 December 2014, and of its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities.



**Ransome Russouw**  
**Chartered Accountants (S.A)**  
**Registered Auditors**

**Per: HJ Russouw**  
**Partner**  
**29 May 2015**

Registered Auditors/ Geregistreerde Ouditeure  
Partners/Vennote H J Russouw N Russouw

## FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)

Annual Financial Statements for the year ended 31 December 2014

### Management Committee's Responsibilities and Approval

The management committee is required by the International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities, 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 council as at the year ended 31 December 2014 and the results of its operations and cash flow for the year then ended, in conformity with International Financial Reporting Standards (IFRS) 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 International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The management committee acknowledges that it is 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 management committee to meet these responsibilities, it 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 management committee endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

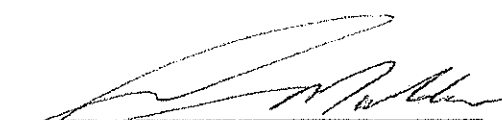
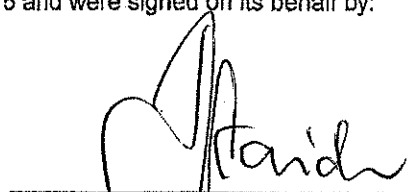
The management committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide reasonable, and not absolute, assurance against material misstatement or loss.

The management committee has reviewed the council's cash flow forecast for the year ended 31 December 2015 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.

Although the management committee is primarily responsible for the financial affairs of the council, it is supported by the council's external auditors.

The external auditors are responsible for independently reviewing and reporting on the council's annual financial statements. The annual financial statements have been examined by the council's external auditors and their report is presented on page 2.

The annual financial statements set out on pages 4 to 9, which have been prepared on the going concern basis, were approved by the management committee on 29 May 2015 and were signed on its behalf by:

  
\_\_\_\_\_  
President  
\_\_\_\_\_  
Management committee member  
TREASURER

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President  
Management committee member

**FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**  
**(A Non-Profit Organisation)**

**ANNUAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

## **FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**

Annual Financial Statements for the year ended 31 December 2014

### **INDEX**

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

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# Ransome Russouw

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**Ransome Russouw**  
**Chartered Accountants (S.A)**  
**Registered Auditors**

**Per: HJ Russouw**  
**Partner**  
**29 May 2015**

## FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)

Annual Financial Statements for the year ended 31 December 2014

### **Management Committee's Responsibilities and Approval**

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President

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Management committee member

## **FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**

Annual Financial Statements for the year ended 31 December 2014

### **Management Committee's Report**

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The management committee submits its report for the year ended 31 December 2014.

#### **1. Objectives**

The objectives of the council are to promote, inter alia, the professionalism, preparation, best practices, effectiveness and networking of financial aid practitioners, administrators and counsellors of student financial aid in tertiary institutions, provincial and government departments, para-statal and corporate organisations.

#### **2. Review of activities**

##### **Main business operations**

The financial position of the council at 31 December 2014 and the results of its operating activities and cash flows for the 12 months ended on 31 December 2014 are fully set out in the accompanying annual financial statements.

#### **3. 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.

#### **4. Post balance sheet events**

The management committee is not aware of any material matter or circumstance which significantly affects the operations of the council or the assets and liabilities as reported at balance sheet date, that have not otherwise been dealt with in the council's annual financial statements set out below.

#### **5. Management committee**

The composition of the management committee at year end and at the date of this report was:

President: Mr W Muller (Nelson Mandela Metropolitan University)

Deputy President: Mrs RD Sumbane (Tswane University of Technology)

Secretary: Mr D Hefer (North West University)

Treasurer: Mr V Naidoo (University of Zululand)

Additional members: Mr Pontsho Mosoeu (Tswane South College), Mrs S Jonker (Eastcape Midlands College)

##### **Administrator**

Duties are shared by the management committee.

The business and postal addresses are as follows:

##### **Business address**

C/O University of Zululand

P. Bag X1001

Kwa Dlangenzwa

3886



**FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**

Annual Financial Statements for the year ended 31 December 2014

**Statement of Financial Position**

	<b>Note</b>	<b>2014 R</b>	<b>2013 R</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	<u>495,387</u>	<u>322,091</u>
		<u>495,387</u>	<u>322,091</u>
<b>Total assets</b>		<u>495,387</u>	<u>322,091</u>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>			
- Retained income	2	495,387	322,091
<b>Current liabilities</b>			
Accounts payable		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
<b>Total reserves and liabilities</b>		<u>495,387</u>	<u>322,091</u>

**FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**

Annual Financial Statements for the year ended 31 December 2014

**Statement of Comprehensive Income**

	<b>Note</b>	<b>2014 R</b>	<b>2013 R</b>
<b>Income</b>			
Conference - net income			
- Income		671,750	911,500
- Expenses		(387,645)	(688,169)
		<u>284,105</u>	<u>223,331</u>
Interest received		6,961	3,252
Sundry income		<u>3,750</u>	<u>3,500</u>
		<u>294,816</u>	<u>230,083</u>
<b>Expenditure</b>			
Auditors' remuneration - fees		3,750	3,500
Bank charges		2,202	953
Donations		10,000	-
Internet		1,126	1,618
Meeting expenses		103,409	113,340
Website		<u>1,033</u>	<u>5,420</u>
		<u>121,520</u>	<u>124,831</u>
<b>Income for year</b>	<b>3</b>	<u><b>173,296</b></u>	<u><b>105,252</b></u>

**Statement of Changes in Reserves**

	<b>Note</b>	<b>Retained income R</b>	<b>Total R</b>
<b>Balance at 1 January 2013</b>		216,839	216,839
Income for year		105,252	105,252
		<u>322,091</u>	<u>322,091</u>
<b>Balance at 1 January 2014</b>		322,091	322,091
Income for year		173,296	173,296
		<u>495,387</u>	<u>495,387</u>
<b>Balance at 31 December 2014</b>		<u><b>495,387</b></u>	<u><b>495,387</b></u>

**FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)**

Annual Financial Statements for the year ended 31 December 2014

**Statement of Cash Flows**

	<b>Note</b>	<b>2014 R</b>	<b>2013 R</b>
<b>Cash flows from operating activities</b>			
Net income for year before interest		166,335	102,001
Working capital - Prepayment		-	25,900
Interest received		6,961	3,252
<b>Net cash generated from operating activities</b>		<u>173,296</u>	<u>131,153</u>
<b>Total cash movement for the year</b>		173,296	131,153
Cash at the beginning of the year		322,091	190,938
<b>Total cash at end of the year</b>	1	<u>495,387</u>	<u>322,091</u>

**Accounting Policies**

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**1 Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous year.

**1.1 Financial instruments**

**Trade and other receivables**

Trade receivables are initially and subsequently measured at the expected recoverable amount. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows.

**Trade and other payables**

Trade payables are initially and subsequently measured at the expected outflow of resources required to settle the liability. Due to the short term nature of these liabilities the carrying value is deemed to approximate their fair values.

**Cash and cash equivalents**

Cash and cash equivalents comprise short-term liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying value of these assets is considered to approximate their fair values.

**1.2 Revenue**

Revenue from conference and other fees is accounted for on a cash received basis.

Revenue is recognised when all the following conditions have been satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the service will flow to the council; and
- the costs incurred or to be incurred in respect of the service can be measured reliably.

## FINANCIAL AID PRACTITIONERS OF SOUTH AFRICA (FAPSA)

Annual Financial Statements for the year ended 31 December 2014

### Notes to the Annual Financial Statements

	2014 R	2013 R
<b>1. Cash and cash equivalents</b>		
FNB Business call account	258,802	259,055
FNB Business cheque account	<u>236,585</u>	<u>63,036</u>
	<u>495,387</u>	<u>322,091</u>

### 2. Reserves

The council is required in terms of its constitution to utilize its funds solely for the objectives for which it has been established. On disbanding as an official body, any accumulated surplus will be equally redistributed to the existing member institutions.

### 3. Taxation

No provision has been made for taxation as receipts by or accruals to the council are exempt from income tax. Official exemption is to be confirmed with the commissioner's office.