

**ST HELENA SANDVELD HOSPICE
(ASSOCIATION INCORPORATED UNDER SECTION 21)
(Registration number 2004/002110/08)
(NPO Registration number 039-053-NPO)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2009**



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2009**

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Palliative home care services for the terminally & chronically ill patients
DIRECTORS	MJ McGregor RB Dean T Tromp LC Haley MJW Victor CL Neethling JP Stuyck
REGISTERED OFFICE	HIV AIDS Initiative Suikerbos Avenue Louwville Vredenburg 7390
BUSINESS ADDRESS	32 Saldanha Road Vredenburg 7380
POSTAL ADDRESS	P.O. Box 308 Vredenburg 7380
BANKERS	Standard Bank
AUDITORS	Reko Incorporated Chartered Accountants (S.A.) Registered Auditors
SECRETARY	RB Dean
COMPANY REGISTRATION NUMBER	2004/002110/08
NPO REGISTRATION NUMBER	039-053-NPO



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
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The reports and statements set out below comprise the financial statements presented to the members:

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REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)

We have audited the accompanying financial statements of St Helena Sandveld Hospice (Association incorporated under section 21), which comprise the directors' report, the balance sheet as at 31 July 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 14.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practise, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 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 auditors' 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 the directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond receipts actually recorded.

REPORT OF THE INDEPENDENT AUDITORS

Opinion

In our opinion, except for the effect on the financial statements of the matters referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of company as of 31 July 2009, and of its financial performance and its cash flows for the year then ended in accordance with generally accepted accounting practise, and in the manner required by the Companies Act of South Africa, 1973.

Basis of financial statements

Without qualifying our opinion above, we draw attention to the fact that the financial statements do not necessarily comply with all the Statements of Generally Accepted Accounting Practice as more fully disclosed in paragraph 9 of the directors report.



Reko Incorporated
Chartered Accountants (S.A.)
Registered Auditors

13 October 2009

Hugo and Hugo Centre
Main Road
Vredenburg
7380



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2009**

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act of South Africa, 1973, 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 company 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 generally accepted accounting practise. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with generally accepted accounting practise and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

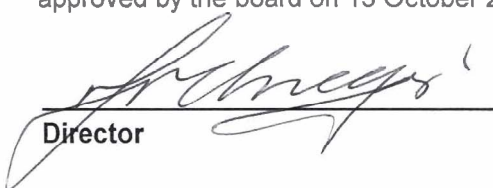
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal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

The directors 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.

Although the board are primarily responsible for the financial affairs of the company, they are supported by the company's external auditors.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 3.

The financial statements set out on pages 6 to 14, which have been prepared on the going concern basis, were approved by the board on 13 October 2009 and were signed on its behalf by:



Director



Director



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2009**

DIRECTORS' REPORT

The directors submit their report for the year ended 31 July 2009.

1. INCORPORATION

The company was incorporated on 29 January 2004 and obtained its certificate to commence business on the same day.

2. REVIEW OF ACTIVITIES

Main business and operations

The company is engaged in palliative home care services for the terminally & chronically ill patients and operates in South Africa.

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

3. GOING CONCERN

The 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 directors are not aware of any matter or circumstance arising since the end of the financial year.

5. NON-CURRENT ASSETS

Property, plant and equipment with a market value of R213,765 (2008: R113,500) were acquired and property, plant and equipment with a book value of R13,150 (2008: Rnil) were disposed off during the year. There have been no other major changes in the property, plant and equipment during the year under review or any changes in the accounting policy relating to their use.

6. DIRECTORS

The directors of the company during the year and to the date of this report are as follows:

Name	Changes
MJ McGregor	
RB Dean	
T Tromp	
LC Haley	
MJW Victor	
CL Neethling	
JP Stuyck	Appointed 12 January 2009



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
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DIRECTORS' REPORT

7. SECRETARY

The secretary of the company is RB Dean of:

Business address

31 Sheila Avenue
Port Owen
Velldrif
7365

Postal address

31 Sheila Avenue
Port Owen
Velldrif
7365

8. AUDITORS

Reko Incorporated will continue in office in accordance with section 270(2) of the Companies Act.

9. PRIMARY BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with generally accepted accounting practice (gaap) applicable to entities of which the financial statements have a limited use. The directors are of the opinion that the financial statements do not differ materially from the Statements of Generally Accepted Accounting Practice (GAAP) and therefor no further disclosure is required.



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
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BALANCE SHEET

	Notes	2009 R	2008 R
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	2	406,731	320,074
CURRENT ASSETS			
Inventories	3	60,660	71,000
Trade and other receivables		49,353	40,341
Cash and cash equivalents	4	416,808	364,831
		526,821	476,172
Total Assets		933,552	796,246
EQUITY AND LIABILITIES			
EQUITY			
Retained surplus		917,523	785,193
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		16,029	11,053
Total Equity and Liabilities		933,552	796,246



**ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21)
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INCOME STATEMENT

	Notes	2009 R	2008 R
REVENUE			
Donations received		139,251	259,170
Donations received in kind		236,323	280,332
Fund raising		27,809	3,325
Grants received	5	721,917	478,919
Membership fees		50	395
Rental income		1,000	1,030
Training income		19,738	8,543
		1,146,088	1,031,714
OTHER INCOME			
Interest received		28,561	24,221
Gains on disposal of assets		52,810	-
		81,371	24,221
OPERATING EXPENSES			
Accounting fees		228	285
Advertising		5,099	1,394
Auditors remuneration		10,773	11,967
Bank charges		7,181	5,497
Cleaning		4,191	
Computer expenses		9,083	363
Depreciation		113,958	80,463
Electricity and water		6,063	4,647
Fund raising expenses		3,003	5,999
General expenses		1,490	1,535
Insurance		22,936	19,804
Medical expenses		2,012	1,073
Motor vehicle expenses		60,909	54,708
Postage		1,792	2,106
Printing and stationery		9,065	15,172
Rental expenses		38,519	35,120
Repairs and maintenance		2,049	6,279
Salaries and wages		727,285	571,007
Security		2,750	2,479
Shop expenses		1,064	1,962
Staff welfare		4,915	4,420
Subscriptions		10,639	8,217
Telephone and fax		43,849	32,923
Training		867	1,550
Travel - local		3,210	-
Volunteer expenses		2,199	1,536
		1,095,129	870,506
Surplus for the year		132,330	185,429



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STATEMENT OF CHANGES IN EQUITY

	Retained surplus R	Total equity R
Balance at 01 August 2007	599,764	599,764
Changes in equity		
Surplus for the year	185,429	185,429
Total changes	<u>185,429</u>	<u>185,429</u>
Balance at 01 August 2008	785,193	785,193
Changes in equity		
Surplus for the year	132,330	132,330
Total changes	<u>132,330</u>	<u>132,330</u>
Balance at 31 July 2009	<u>917,523</u>	<u>917,523</u>



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CASH FLOW STATEMENT

	Notes	2009 R	2008 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		1,137,075	994,352
Cash paid to suppliers and employees		(965,854)	(797,691)
Cash generated from operations	8	171,221	196,661
Interest income		28,561	24,221
Net cash from operating activities		199,782	220,882
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(213,765)	(113,500)
Sale of property, plant and equipment	2	65,960	-
Net cash from investing activities		(147,805)	(113,500)
Total cash movement for the year		51,977	107,382
Cash at the beginning of the year		364,831	257,449
Total cash at end of the year	4	416,808	364,831



ST HELENA SANDVELD HOSPICE (ASSOCIATION INCORPORATED UNDER SECTION 21) FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2009

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with generally accepted accounting practise, and the Companies Act of South Africa, 1973. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

1.1 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Buildings	
• Buildings	10 years
• Containers	5 years
Furniture and fittings	6 years
Motor vehicles	5 years
Telephone equipment	5 years
Computer equipment	3 years
Computer software	2 years
Medical equipment	5 years
Books	3 years

1.2 INVENTORIES

Merchandise received as donations is valued at the market value of the items at the date of receipt thereof.

1.3 GRANTS

Grants are recognised when there is reasonable assurance that:

- the company will comply with the conditions attached to them; and
- the grants will be received.

Grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

1.4 DONATIONS

Donations are recognised in the financial statements on the date of the receipt thereof. Donations in kind are recognised at market value of the goods.

1.5 REVENUE

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods provided in the normal course of business.



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NOTES TO THE FINANCIAL STATEMENTS

	2009 R	2008 R
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2. PROPERTY, PLANT AND EQUIPMENT

	2009			2008		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Buildings	214,415	(74,837)	139,578	205,415	(44,925)	160,490
Furniture and fittings	24,772	(20,226)	4,546	22,106	(18,191)	3,915
Motor vehicles	385,500	(131,176)	254,324	295,250	(152,407)	142,843
Telephone equipment	12,217	(8,209)	4,008	-	-	-
Computer equipment	13,002	(10,992)	2,010	22,620	(12,447)	10,173
Computer software	3,054	(3,052)	2	3,054	(3,052)	2
Medical equipment	23,780	(21,521)	2,259	16,280	(13,633)	2,647
Books	3,057	(3,053)	4	3,057	(3,053)	4
Total	679,797	(273,066)	406,731	567,782	(247,708)	320,074

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Disposals	Transfers	Depreciation	Total
Buildings	160,490	9,000	-	-	(29,912)	139,578
Furniture and fittings	3,915	2,666	-	-	(2,035)	4,546
Motor vehicles	142,843	192,000	(13,150)	-	(67,369)	254,324
Telephone equipment	-	-	-	6,012	(2,004)	4,008
Computer equipment	10,173	2,599	-	(6,012)	(4,750)	2,010
Computer software	2	-	-	-	-	2
Medical equipment	2,647	7,500	-	-	(7,888)	2,259
Books	4	-	-	-	-	4
	320,074	213,765	(13,150)	-	(113,958)	406,731

Reconciliation of property, plant and equipment - 2008

	Opening Balance	Additions	Depreciation	Total
Buildings	180,551	-	(20,061)	160,490
Furniture and fittings	5,060	-	(1,145)	3,915
Motor vehicles	81,875	113,500	(52,532)	142,843
Computer equipment	14,257	-	(4,084)	10,173
Computer software	2	-	-	2
Medical equipment	5,287	-	(2,640)	2,647
Books	4	-	-	4
	287,036	113,500	(80,462)	320,074

Buildings consist of offices erected on leased property.

3. INVENTORIES

Merchandise	60,660	71,000
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NOTES TO THE FINANCIAL STATEMENTS

	2009 R	2008 R
4. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	623	732
Bank balances	416,185	364,099
	416,808	364,831
5. GRANTS RECEIVED		
Canadian International Development Agencies	110,850	29,625
Western Cape Community Chest	24,000	12,000
European Union Fund	143,472	177,769
FNB Fund	55,125	52,500
General Grants	15,972	7,875
United States Presidents Emergency Plan for AIDS Relief	172,535	199,150
West Coast Community Trust	149,963	-
HCI Foundation Grant	50,000	-
	721,917	478,919
6. TAXATION		
No provision has been made for the 2009 tax as the company is exempt from taxation under Section 30 of the Income Tax Act.		
7. AUDITORS' REMUNERATION		
Audit fees	10,773	11,967
8. CASH GENERATED FROM OPERATIONS		
Surplus before taxation	132,330	185,429
Adjustments for:		
Depreciation	113,958	80,463
Profit on sale of assets	(52,810)	-
Interest received	(28,561)	(24,221)
Changes in working capital:		
Inventories	10,340	(18,700)
Trade and other receivables	(9,012)	(37,361)
Trade and other payables	4,976	11,051
	171,221	196,661
9. DIRECTORS' EMOLUMENTS		
Executive		
2009	Emoluments	Total
Services rendered	95,111	95,111
2008	Emoluments	Total
Services rendered	89,283	89,283

