

CATHOLIC HEALTH CARE ASSOCIATION
(Registration number NPO No.006-174 and PBO No.18/11/13/3636)
Annual financial statements
for the year ended 31 December 2015

These annual financial statements were prepared by:

C De Haan
Certified Master Auditors Inc.
Chartered Accountants (S.A.)
Registered Auditors

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Published 30 March 2016

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Annual Financial Statements for the year ended 31 December 2015

General Information

Nature of business and principal activities	Health care work
Registered office	CMA Office & Conference Park 1 2nd Road Halfway House Midrand 1685
Business address	St Vincent School 158 Oxford Rd Melrose
Postal address	P.O. Box 52015 Saxonwold 2132
Bankers	The Standard Bank of South Africa Limited. Certified Master Auditors Inc. Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: C De Haan
Published	30 March 2016

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

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

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

C De Haan

Published

30 March 2016

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Directors' Responsibilities and Approval

The directors are required to maintain adequate accounting records and are 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 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 as set out in Note 1 to the financial statements. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the basis of accounting as set out in Note 1 to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

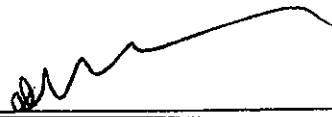
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets 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 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 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

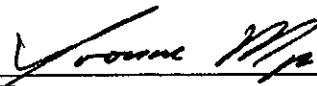
The directors have reviewed the organisation's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable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

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

The annual financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the board of directors on 30 March 2016 and were signed on its behalf by:



Director



Director

Midrand

30 March 2016



Certified Master Auditors (South Africa) Inc.

Registered Accountants and Auditors
Ranked in the top 10 of the 2nd-tier Audit Firms in SA
In Pursuit of Excellence

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Tel: (011) 315 0215
Fax: (088 011) 315 0639
<http://www.cmaauditors.co.za>
Reg. 1997/013001/21

Independent Auditors Report

To the members of CATHOLIC HEALTH CARE ASSOCIATION

We have audited the annual financial statements of CATHOLIC HEALTH CARE ASSOCIATION, as set out on pages 7 to 12, which comprise the statement of financial position as at 31 December 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.

Directors' Responsibility for the Annual Financial Statements

The Association's directors are responsible for the preparation of the annual financial statements in accordance with the basis of accounting as set out in Note 1 to the financial statements and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's 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 auditor's judgement, 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 management, 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.

Directors:

Marius Johannes Maritz - B.Com (UP) B.Compt (Hons) (Unisa) MA (Finance) (Alabama USA) MBL (Cum Laude) (Unisa) CFM (Harvard USA) CA (SA) SAMTP (SA)
Carel Hendrik Mostert Pieterse - B.Com (UP) B.Compt (Hons) (Unisa) M.Com (Tax)(UP) CA (SA) MTP (SA) Samuel Marks - CA (SA) George Davias - CA (SA)
Douw Gerbrand Steyn Wolmarans - B.Com (UP) B.Comp (Hons) (UP) CA (SA) Eric Michael Clemitson - B.Compt. (Unisa) B.Com.(Hons)(Unisa) CA (SA)
Floris Johannes du Toit - B.Com (Acc) (RAU) B.Hons (Acc) (RAU) DFP CA (SA) GTP (SA) Marisca Lombard - B.Com (UP) B.Compt (Hons) (Unisa) CA (SA)
Raymond Stanley Baard - B.Com (RAU) B.Compt (Hons)(Unisa) CA (SA) GTP (SA) Jean-Andre du Toit - B.Com (Acc) (UJ) B.Compt (Hons) (Unisa) CA (SA)
Melinda Bath - B.Comm (Acc)(RAU) B.Compt (Acc)(Hons)(UNISA)CTA ACA GTP(SA) RA CA(SA) Anna Johanna Fredrieka Swanepoel - CA (SA)
Stephanus Isaac Minnaar - B.Com (Acc) (RAU) B.Com (Acc)(Hons)(RAU) M.Com(Taxation)(UP) CA(SA)

IRBA Practice number:
912476

SAICA Practice number:
20014969

Other Offices:
Cape Town
Centurion
Pretoria North
Pretoria East
Vereeniging
West Rand



International
Network of auditing firms
Ranked 14 in the world



leading edge alliance
Integrity • Quality • Excellence
Foundation firm. Association
of independent accounting
and audit firms.
Ranked 2 in the world



Opinion

In our opinion, the annual financial statements of CATHOLIC HEALTH CARE ASSOCIATION for the year then ended 31 December 2015 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the annual financial statements, and the requirements of the Companies Act 71 of 2008.

Other matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 13 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Certified Master Auditors Inc.

RS Baard

Dircetor

Registered Auditors

A handwritten signature in black ink, appearing to be 'RS Baard', with a long horizontal stroke extending to the right.

30 March 2016

CATHOLIC HEALTH CARE ASSOCIATION

(Registration number NPO No.006-174 and PBO No.18/11/13/3636)

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Directors' Report

The directors submit their report for the year ended 31 December 2015

1. Nature of business

The organisation is engaged in health care work and operates principally in South Africa.

The overall aim of the organisation, is to help further improve the health care work of the Catholic Church in South Africa, through the policy making , advisory and co-ordinating activities of Catholic Health Care Association of Southern Africa.

2. Events after the reporting period

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

3. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company 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 company. The directors 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 company.

4. Auditors

Certified Master Auditors Inc. will continue in office.

At the AGM, the members will be requested to reappoint Certified Master Auditors Inc. as the independent external auditors of the company and to confirm Mr RS Baard as the designated lead audit partner for the 2016 financial year.

5. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 30 March 2016. No authority was given to anyone to amend the financial statements after the date of issue.

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Annual Financial Statements for the year ended 31 December 2015

Statement of Financial Position as at 31 December 2015

Figures in Rand	Note(s)	2015	2014
Assets			
Current Assets			
Investments	2	3,271,058	3,639,451
Trade and other receivables		192,063	47,769
Cash and cash equivalents		2,987,738	2,925,373
		6,450,859	6,612,593
Total Assets		6,450,859	6,612,593
Equity and Liabilities			
Equity			
Sustainability Reserves		2,496,500	2,356,123
Accumulated funds	4	470,470	941,568
		2,966,970	3,297,691
Liabilities			
Current Liabilities			
Trade and other payables		62,761	89,319
Funds received in advance		-	816,652
Project Funds	5	3,421,128	2,408,931
		3,483,889	3,314,902
Total Equity and Liabilities		6,450,859	6,612,593

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Statement of Changes in Equity

Figures in Rand	Sustainability Reserves	Accumulated funds	Total equity
Balance at 01 January 2014	2,092,793	780,011	2,872,804
Surplus for the year	-	424,887	424,887
Transfer from Accumulated funds	263,330	-	263,330
Total comprehensive income for the year	263,330	424,887	688,217
Transfer to sustainability reserve	-	(263,330)	(263,330)
Transfer to sustainability reserve	-	(263,330)	(263,330)
Balance at 01 January 2015	2,356,123	941,568	3,297,691
Surplus for the year	-	(330,722)	(330,722)
Transfer from Accumulated funds	140,377	-	140,377
Total comprehensive surplus for the year	140,377	(330,722)	(190,345)
Transfer to sustainability reserve	-	(140,376)	(140,376)
Transfer to sustainability reserve	-	(140,376)	(140,376)
Balance at 31 December 2015	2,496,500	470,470	2,966,970

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Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the accounting policies as set out below. The annual 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 Property, plant and equipment

Property, plant and equipment are expensed in the year that assets are purchased.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

Financial instruments at amortised cost

Debt instruments, as defined in the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of 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 so, an impairment loss is recognised.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

1.3 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.4 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of 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.

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Accounting Policies

1.5 Sustainability Reserve

To ensure sustainability of the organisation, the Board has set a target of achieving at least 2 years of operating costs in the Fund. The fund currently represents approximately 11 months targeted costs.

1.6 Other project funds

Income is recognised on these Funds to match with expenditure incurred in the year.

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Notes to the Annual Financial Statements

Figures in Rand	2015	2014
2. Investments		
At fair value		
Stanlib - Collective Investments	2,496,500	2,356,123
Stanlib - Classic Investments	774,558	1,283,328
	3,271,058	3,639,451
Current assets		
At fair value	3,271,058	3,639,451
3. Grants Received		
Anonymous	816,652	979,883
Misereor Project No. 150 900-1133ZG	776,180	640,176
	1,592,832	1,620,059
4. Accumulated Funds		
CATHCA and designated funds	470,470	374,532
National Lottery Distribution Trust Fund - No. 64124	-	567,036
	470,470	941,568
5. Project Funds received in the financial year, unspent at 31 December		
Special Project	1,080,057	1,183,719
The Independent Development Trust	-	87,179
Anglo American Chairman's Fund - 026508	19,687	199,290
Anglo American Chairman's Fund - 034131	179,215	-
Catholic Regional Network (Secretariate)	311,676	839,000
Parish Health Ministry	62,569	110,000
Gauteng Department of Health	243,045	(10,257)
Embassy of Japan	18,692	-
Misean Cara	1,506,187	-
	3,421,128	2,408,931
6. Project Funds Received and Paid Out		
Anglo American - Chairman's Fund - 026508	(110,819)	400,000
Anglo American - Chairman's Fund - 013208 & 026508	(68,785)	(410,482)
Anglo American - Chairman's Fund - 034131	400,000	-
Anglo American - Chairman's Fund - 034131	(220,785)	-
Anonymous - Secretariate - 151.80848 / R113226	-	884,860
Anonymous - Secretariate - 151.80848 / R113226	(527,324)	(640,491)
Parish Health Ministry	-	110,000
Parish Health Ministry	(47,431)	-
Gauteng Department of Health	1,239,020	533,334
Gauteng Department of Health	(985,719)	(543,590)
The Independent Development Trust	-	547,092
The Independent Development Trust	(87,179)	(1,019,200)
Embassy of Japan	537,762	-
Embassy of Japan	(519,070)	-
Special projects	(103,659)	-
Misean Cara	3,489,514	-
Misean Cara	(1,983,328)	-
	1,012,197	(138,477)

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Notes to the Annual Financial Statements

Figures in Rand

2015

2014

7. National Lottery Distribution Trust Fund

In line with the rules and regulations governed by the National Lottery Distribution Trust Fund, the full amount of the grant received, has been recognised as income during the year. The expensed for the year have been recognised, with the surplus left on the grant shown in note 4.

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Detailed Income Statement

Figures in Rand	Note(s)	2015	2014
Revenue			
Administration fees received		410,798	84,920
Income and fair value movement on investments		231,606	284,408
Grants received	3	1,592,832	1,620,059
Interest received - Bank accounts		202,039	168,599
Local contributions and funds from third parties		106,514	163,952
National Lottery Distribution Trust Fund no.52548	7	-	7,800
National Lottery Distribution Trust Fund no.64124	7	-	699,700
Project Funds received		4,654,101	2,613,763
		7,197,890	5,643,201
Operating expenses			
Auditors fees		(42,290)	(39,900)
Bank charges		(10,582)	(9,311)
Cathca network conferences		(226,292)	(86,718)
Communications		(137,816)	(95,524)
Computer equipment		(37,624)	-
Computer expenses		(42,102)	(26,500)
Governance		(46,853)	(43,842)
National Lottery Distribution Trust Fund no.52548	7	-	(513,932)
National Lottery Distribution Trust Fund no.64124	7	(575,518)	(132,664)
Office equipment		(22,281)	(41,021)
Project funds paid out		(4,654,101)	(2,613,763)
Rent, security and cleaning		(108,458)	(102,257)
Salaries and wages		(1,498,820)	(1,443,417)
Staff development and welfare		(75,204)	(42,453)
Travel and accommodation		(50,671)	(27,012)
		(7,528,612)	(5,218,314)
Surplus (Deficit) for the year		(330,722)	424,887