

HSFA

Helderberg Society For the Aged



**HELDERBERG SOCIETY
FOR THE AGED**

ANNUAL REPORT 2016

JAARVERSLAG 2016



FINANCIAL STATEMENTS EXTRACT



FINANCIAL REPORT



Continuously striving towards change & sustainability.

During the 2016 financial year the Society focused on increasing revenue and curbing costs. The challenges surrounding these objectives were, and still are, numerous. The surplus made in the 2016 year reflects the commitment to these objectives and the figures are starting to reflect the positive results of the restructuring started during 2012.

Our long-term objective remains to maintain an organisation that will sustain itself and to implement changes in order to meet this objective. The sustainability of the Society needs to be our main priority, as we cannot fulfil our Vision & Mission if we do not succeed. All decisions made and changes and controls implemented, need to be measured against this objective.



Above: Rika Rodd,
Financial Manager

FINANCIAL REPORT		FINANSIËLE VERSLAG	
HELDERBERG SOCIETY FOR THE AGED		HELDERBERG VERENIGING VIR BEJAARDES	
REGISTRATION NUMBER 002-846 NPO		REGISTRASIE NOMMER 002-846 NPO	
ANNUAL FINANCIAL STATEMENTS		FINANSIËLE JAARSTATE	
31 MARCH 2016		31 MAART 2016	
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<p>The financial statements set out on pages 12 to 17 were approved by the Board on 19 July 2016 and are signed on its behalf by/Die finansiële jaarstate uiteengesit op bladsye 12 tot 17 is op 19 Julie 2016 deur die Raad goedgekeur en namens hulle onderteken deur:</p>			
			
CHAIRMAN/VOORSITTER		CHIEF EXECUTIVE OFFICER/ HOOF UITVOERENDE BEAMPTTE	
19 July 2016		19 Julie 2016	

AUDITOR'S REPORT

Independent auditor's report on summary financial statements

To the Board of the Helderberg Society for the Aged

The summary financial statements of the Helderberg Society for the Aged, contained in the accompanying abridged report, which comprise the summary statement of financial position as at 31 March 2016, the summary statement of comprehensive income and related notes, are derived from the audited financial statements of the Helderberg Society for the Aged for the year ended 31 March 2016.

We expressed an unmodified audit opinion on those financial statements in our report dated 15 July 2016. The summary financial statements do not contain all the disclosures required by the constitution of the Helderberg Society for the Aged as applicable to annual financial statements, therefore, is not a substitute for reading the audited financial statements of the Helderberg Society for the Aged.

Board's Responsibility for the Summary Financial Statements

The Board is responsible for the preparation of the summary financial statements in accordance with the requirements of the constitution of the Helderberg Society for the Aged as applicable to summary financial statements, and for such internal control as the Board determine is necessary to enable the preparation of the summary financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial

statements based on our procedure, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

Opinion

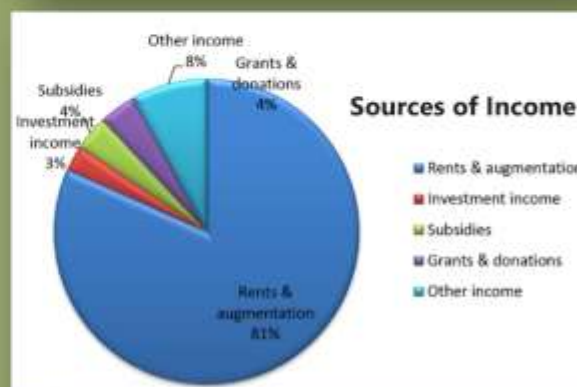
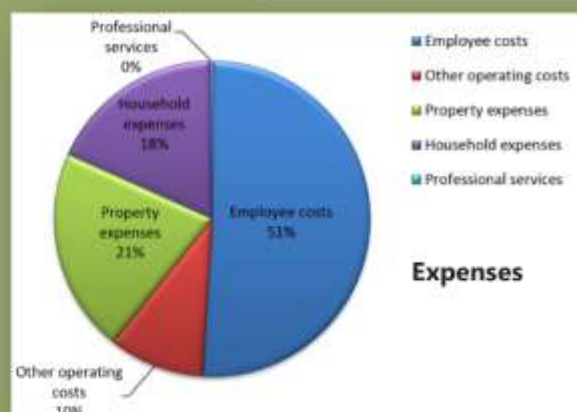
In our opinion, the summary financial statements derived from the audited financial statements of the Helderberg Society for the Aged for the year ended 31 March 2016 are consistent, in all material respects, with those financial statements, in accordance with the constitution of the Helderberg Society for the Aged as applicable to summary financial statements.

GKN AUDIT - Registered Auditors

Per: E Nel
Somerset West
19 July 2016

Unit F05, Parc Du Links
9 Niblick Way
Somerset West, 7130

PIE CHARTS



STATEMENT OF FINANCIAL POSITION/ STAAT VAN FINANSIËLE POSISIE

AT 31 MARCH 2016				OP 31 MAART 2016
	NOTES NOTAS	2016 R	2015 R	
ASSETS				BATES
Non-current assets		438 392 212	435 554 923	Nie-bedryfsbates
Property, plant and equipment	2	438 392 212	435 554 923	Eiendom, aanleg en toerusting
Current assets		29 661 933	31 590 579	Bedryfsbates
Trade and other receivables	4	2 779 237	2 990 257	Handels- en ander debiteure
Other financial assets	3	18 938	0	Ander finansiële bates
Cash and cash equivalents	5	26 863 758	28 600 322	Kontant en kontant ekwivalente
Total assets		468 054 145	467 145 502	Totale bates
EQUITY & LIABILITIES				EKWITEIT & AANSPREEKLIKHEDE
Capital and reserves		417 926 064	417 206 351	Kapitaal en reserwes
Retained income		16 723 616	16 265 884	Opgehoopte fondse
Reserves		401 202 448	400 940 467	Reserwes
Non-current liabilities		42 254 500	40 967 250	Nie-bedryfslaste
Other financial liabilities	7	42 254 500	40 967 250	Ander finansiële laste
Current liabilities		7 873 581	8 971 901	Bedryfslaste
Trade and other payables	6	6 903 024	7 260 547	Handels- en ander krediteure
Other financial liabilities	7	970 557	1 711 354	Ander finansiële laste
Total liabilities		50 128 081	49 939 151	Totale laste
Total equity and liabilities		468 054 145	467 145 502	Totale reserwes en laste

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31/3/2016

STAAT VAN OMVATTENDE INKOMSTE VIR DIE JAAR GEËINDIG 31/3/2016

	NOTES/ NOTAS	2016 R	2015 R	
REVENUE				INKOMSTE
Accommodation		38 032 651	38 777 433	Huur, maaltye, dienssentrum-fooie
OTHER INCOME				ANDER INKOMSTE
Admission fee		131 263	89 020	Toelatingsfooie
Augmentation		855 320	746 999	Bybetalings
Discount received		18 772	15 219	Afslag ontvang
Dividends received	8	241 189	202 545	Dividende op beleggings
Donations and fundraising		1 865 268	57 663	Ander toekennings en donasies
Fair value adjustments	9	1 075 723	985 747	Markwaarde aanpassings
Gains on disposal of fixed assets		3 915	26 910	Winste op beskikking v vaste bates
Interest received	8	1 042 413	1 048 078	Rente ontvang
Nursing services		506 998	348 031	Verplegingsdienste
Other income		370 583	230 740	Diverse inkomste
Rental income		500 747	491 534	Huurinkomste
Rental income - Livewell Suites		1 210 941	2 027 622	Huurinkomste - Livewell Suites
Subsidies		1 764 083	1 455 317	Subsidies
		9 587 215	7 725 425	
TOTAL REVENUE		47 619 866	46 502 858	TOTALE INKOMSTE
EXPENSES				UITGAWES
Advertising		67 180	80 215	Reklame
Auditors remuneration		92 150	85 350	Ouditeursvergoeding
Bad debts		-56 544	494 556	Slegte skuld
Bank charges		163 139	152 186	Bankkoste
Cleaning		1 480 649	1 124 214	Skoonmaakkosse
Coffee Shop		89 943	71 113	Koffiewinkel
Computer expenses		348 207	264 693	Rekenaarkoste
Consulting and professional fees		675	50 589	Konsultasie en professionele dienste
Depreciation		553 181	580 772	Waardevermindering
Domestic fuel		78 114	53 847	Huishoudelike brandstof
Employee costs		23 961 764	27 084 368	Personeelkosse
Entertainment		62 075	56 262	Vermaak
Food and catering costs		6 947 154	6 573 640	Kos en spyseniering
Home Based Care		29 356	26 445	Tuissorg
Insurance		339 232	319 110	Versekering
Lease rentals on operating lease		130 164	95 782	Huur van toerusting
Legal expenses		5 385	11 507	Regskoste
Losses due to theft		46 499	0	Verlies as gevolg van diefstal
Medical supplies		270 326	106 487	Mediese voorraad
Motor vehicle expenses		98 483	178 457	Voertuigkosse
Municipal expenses		3 866 205	3 583 732	Munisipale koste
Petrol and oil		58 038	94 355	Brandstof en olie
Printing and stationery		314 811	287 409	Drukwerk en skryfbehoeftes
Repairs and maintenance		5 965 013	10 735 471	Herstelwerk en onderhoud
Security		912 651	827 344	Sekuriteit
Subscriptions		667 717	585 460	Subskripsies
Telephone and fax		419 353	436 130	Telefoon en faks
Training		92 748	101 720	Opleiding
		47 003 668	54 061 214	
Operating (Loss) Profit		616 198	(7 558 356)	Bedryfs (Verlies) Wins
Finance Cost	10	158 464	164 019	Finansieringskosse
Total comprehensive income (loss)		457 734	(7 722 375)	Totale omvattende inkomste (tekort)

NOTES TO ANNUAL FINANCIAL STATEMENTS – 31/3/2016

PRESENTATION OF FINANCIAL STATEMENTS The financial statements have been prepared in accordance with the constitution of the HSFA on a basis consistent with prior years. These financial statements have been extracted from the audited annual financial statements, a copy of which is available at the HSFA's offices at 121 Lourensford Road, Somerset West. The Accounting Policies stated below is disclosed in the Audit financial statements and is available:

- 1.1 PROPERTY PLANT AND EQUIPMENT
- 1.2 FINANCIAL INSTRUMENTS
- 1.3 LEASES
- 1.4 IMPAIRMENT OF ASSETS
- 1.5 EMPLOYEE BENEFITS
- 1.6 GOVERNMENT GRANTS
- 1.7 REVENUE
- 1.8 BORROWING COST

2. PROPERTY, PLANT & EQUIPMENT	2016			2015		
	COST	ACC DEPR	VALUE	COST	ACC DEPR	VALUE
Land and buildings	436 424 764	0	436 424 764	433 813 474	0	433 813 474
Furniture and fixtures	668 335	-436 855	231 480	585 948	-373 853	212 095
Motor vehicles	751 947	-643 967	107 980	756 847	-593 615	163 232
IT equipment	1 831 166	-1 012 392	818 774	1 342 903	-851 882	491 021
Other property, plant and equipment	4 139 610	-3 330 396	809 214	3 931 078	-3 055 977	875 101
	443 815 822	-5 423 610	438 392 212	440 430 250	-4 875 327	435 554 923
Reconciliation of property, plant and equipment - 2016						
	OPENING BALANCE	ADDITIONS	DISPOSALS	REVALUATION	DEPRECIATION	TOTAL
Land and buildings	433 813 474	2 611 290	0	0	0	436 424 764
Furniture and fixtures	212 095	82 387	0	0	-63 001	231 481
Motor vehicles	163 232	0	0	0	-55 252	107 980
IT equipment	491 021	488 264	0	0	-160 511	818 774
Other property, plant and equipment	875 102	208 532	0	0	-274 421	809 213
	435 554 924	3 390 473	0	0	-553 185	438 392 212

	2016 R	2015 R
3 OTHER FINANCIAL ASSETS		
At amortised cost		
The Helderberg Trust	18 938	0
The loan is unsecured, interest free and repayable on demand		
Current assets		
At amortised cost	18 938	0
4 TRADE AND OTHER RECEIVABLES		
Trade receivables	2 778 450	2 885 425
Prepayments	0	28 282
VAT	0	31 611
Other receivables	787	44 939
	2 779 237	2 990 257
5 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of		
Cash on hand	5 000	9 000
Bank balances	192 504	170 006
Short-term deposits	26 666 254	28 421 316
	26 863 758	28 600 322
6 TRADE AND OTHER PAYABLES		
Trade payables	1 131 230	1 737 664
VAT	40 048	0
Residents pocket money	31 841	115 879
Accrued leave pay	876 412	893 927
Other accrued expenses	49 621	440
Deposits received	3 995 676	3 767 975
Other payables	778 196	744 663
	6 903 024	7 608 624

	2016 R	2015 R
7 OTHER FINANCIAL LIABILITIES		
At amortised cost		
Life right creditors under registered life right scheme The creditors are interest free and repayable in terms of the rules of the scheme.	42 254 500	40 967 250
Bowden Park The loan is repayable on demand at the time of transfer of the right to occupy the units. Interest is charged at a rate mutually agreed upon.	138 244	159 405
The Helderberg Trust The loan is unsecured, interest free and repayable on demand	-18 938	117 152
The Helderberg Training Centre NPC The loan is unsecured, interest free and repayable on demand	740 306	1 123 936
Ncedo Lwethu Service Centre The loan is unsecured, interest free and repayable on demand	0	187 417
Garden Village The loan is unsecured, interest free and repayable on demand	110 945	123 445
Other financial liabilities		
	43 225 057	42 678 605
8 INVESTMENT REVENUE		
Dividend revenue	241 189	202 545
Other Financial Assets		
Interest revenue	1 042 413	1 048 078
Other Financial Assets		
	1 283 602	1 250 623
9 FAIR VALUE ADJUSTMENTS		
Investments	1 075 723	985 747
10 FINANCE COST		
Other Interest Paid	158 646	164 019
11 TAXATION		
No provision has been made for 2015 tax as the Society is Exempt from Income Tax in terms of Section 10(1)(cN) of the Income Tax Act		
12 CASH USED IN OPERATIONS		
Loss before taxation	457 734	-7 722 378
Adjustments for:		
Depreciation and amortisation	553 181	580 772
Profit on sale of assets	-3 915	-26 910
Dividends received	-241 189	-202 545
Interest received	-1 042 413	-1 048 078
Finance costs	158 464	164 019
Fair value adjustments	-1 075 723	-985 747
Movements	239 264	-1 154 326
Change in working capital:		
Trade and other receivables	233 740	-145 858
Trade and other payables	-357 523	534 969
	-1 078 380	-10 006 082

- 13. CONTINGENCIES** During the previous financial year some of the flats at Libertas sustained serious structural damage due to a natural disaster. Damage was extensive and it caused portions of the building to become uninhabitable and residents had to be moved to other suitable accommodation. As a result the Society suffered loss of income. Damage to the flats will also result in a portion of the building having to be demolished and rebuilt. As a result of the uncertainty regarding the historical value of the building, definite plans have not been submitted for consideration. The cost of the renovations will have a material effect on the cash resources of the Society. At this stage no cost estimate is available. No specific reserve has been set aside and no provision for renovation cost has been created. To date no capital has been committed to this project.