

NOTICE

62nd ANNUAL GENERAL MEETING



SOUTH AFRICAN GUIDE-DOGS
association for the blind

NOTICE IS HEREBY GIVEN THAT THE 62nd ANNUAL GENERAL MEETING OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND WILL BE HELD AT THE GLADYS EVANS TRAINING CENTRE ON 22 September 2015 at 14h00.

AGENDA

1. Apologies.
2. Confirmation of the minutes of the 61st A.G.M. held on 23 September 2014
3. Matters arising from the previous minutes.
4. The Report of the Chairman.
5. The Report of the Executive Director.
6. The Report of the Treasurer.
7. Auditor's Report.
8. Election of Executive Officers and Board members.
9. Appointment of Auditors.
10. General.
11. Meeting Closure.

GAUTENG OFFICE & TRAINING CENTRE
THE GLADYS EVANS TRAINING CENTRE
126 Wroxham Road, Rietfontein 2IR, 2191
P O Box 67585, Bryanston, 2021
Tel: 011 705 3512 / 0860 100 922
Fax: 086 506 3364
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WESTERN CAPE OFFICE
DE VILLIERS HOUSE
89 Belvedere Road, Claremont, 7708
P O Box 2674, Clareinch, 7740
Tel: 021 674 7395 Fax: 021 674 7397

KWA-ZULU NATAL OFFICE
P O Box 1267, Umkomaas, 4170
Tel: 039 973 0387 Fax: 086 580 3785

CHAIRMAN’S REPORT – 2014/2015

The past year, the 62nd year since the founding of our Association by Gladys Evans in 1952, has again been a most successful one. Our new management has settled in particularly well and the results have been well ahead of expectations.

Financially it was an exceptional year with returns exceeding budget by some way. This is covered in detail in the Treasurer’s report.

The 2014/2015 financial year saw the following achievements:-

- The **Training Department** effectively continued to meet the needs of the visually and physically impaired community with the provision of highly trained dogs. Increased emphasis is being placed on the training of Service Dogs where we are not meeting the current demand.
- Thanks to dynamic management, the **College of Orientation & Mobility** has turned itself

around from the previous disappointing year and produced a most satisfying performance. Much work has been done directly with those in need particularly at school level. Also, the two year diploma course is well under way and it is most pleasing to see the commitment of the current group of students.

- The **Marketing Department** continues to produce positive results and are finding new and different ways of generating income. The Bequest programme continues to be highly effective and the income received from this source is one of the prime reasons for the exceptional financial performance this past year.
- The **Finance Department** must be complimented for their part in keeping the finances of the Association on track. As I said earlier, the financial performance was again ahead of

expectations and, most importantly, the overall financial stability of the Association continues to be most satisfying.

- During the year emphasis was placed on upgrading facilities with much work done on security and on the renovation of both the training Centre here and on the Cape Town premises.

All stake-holders in the **South African Guide-Dogs Association for the Blind** can once again feel extremely proud of their contribution to the excellent achievements.

As I have repeated many times in the past, it is only through a huge team effort that results such as these can be achieved. Staff, volunteers, puppy-raisers, supporters and the Board have all combined to make the Association what it is today.

In my role as Chairman of the Board, it is warming to know that the Association has such a wonderful network of committed, dedicated and passionate stakeholders behind us. To each and

every one involved I offer my most sincere thanks. A special word, too, for our many donors without whose continued support we would be unable to serve those in need. Thank you all so much for your support.

The Board of the Association has continued to ensure good governance and in the direction we follow. For this and their support to me I thank you.

The year ahead will again bring its own challenges but I feel convinced that we have the right team in place, with the ideal dedication and skills, to tackle whatever comes our way.

Finally I trust the Association can rely on the continued support, loyalty and dedication of all its stakeholders.

Thank you!



**THOMAS DAVID PARKER
CHAIRMAN**

27/07/2015
DATE

EXECUTIVE DIRECTOR'S ANNUAL REPORT – 2014/2015

The 2014/2015 Financial Year has gone past in a flash. I'm very grateful for the overwhelming support that I've received during the first year in my new role. The board, staff, working dog owners, puppy raisers, volunteers and supporters have all offered me encouragement and support.

I'm grateful for the opportunity to have worked with Ken Lord, Malcolm Driver and Morag Cardoso. I aim to follow their example and constantly look at ways to improve the service that we offer to the differently abled community. Having worked as an instructor for many years has helped me to truly understand the positive difference that a working dog can make.

We had a number of challenges during the year; the biggest one being the S A Post Office strike. We are very dependent on the Post Office to communicate with our supporters and to raise much needed funds. The start of load shedding around November has, and continues to be, a challenge for all South Africans.

On the positive side, in January 2015, we enrolled 6 students to our College of Orientation and Mobility (COM). In December 2016 they will graduate and be able to assist people with visual impairments with mobility and

skills of daily living training. Each of these Orientation and Mobility Practitioners will be able to assist 40 visually impaired people per year. Debbie Speller has done an excellent job in leading the COM team. Rosemary Alexander our Vodacom Save the World Volunteer has done a great job of raising awareness of the important work done by the COM team.

We bred 67 puppies in the Financial Year (most of these were a result of artificial insemination). We are hopeful that the quality of our dogs will improve with the high quality semen that has been donated to us from our colleagues (Guide Dogs for the Blind and Guiding Eyes) in the USA. I'm grateful for the important work done by our puppy raisers, overseen by Monica Steen and Ané Steytler. We could not supply quality dogs without the happy puppyhood that you give our puppies. Thank you!

Mandla Nxumalo (Guide Dog Services Manager), Maxine Geddie (Service Dog Manager) and Cheryl Robertson (Cape Town Branch Manager) and their training teams have produced 40 working dogs (29 Guide Dogs and 11 Service/Autism Support Dogs) in the year. I know that the training team is committed to

continually improving the service that we offer to our clients. I appreciate their dedication and hard work. While the dogs are in our care they are looked after by Caroline Human and the Kennel Assistants. Thank you for always ensuring that they receive humane and hygienic care.

Pieter van Niekerk and his Johannesburg, Cape Town and KwaZulu-Natal Marketing teams have collectively met their income targets despite tough economic conditions and the S A Post Office strike. This would not have been possible without the support from our loyal members, service clubs and our corporate partners. Well done to the Marketing teams, you have done an excellent job!

Thank you to the families of the people who have left us a gift in their will. Some people can't afford to support our work during their lifetime but they leave us a gift in their will. We are grateful for these bequests and we will use this money optimally in memory of the generous donors, to improve the lives of people who are disabled.

Jayne Nicolle and the Administration and Finance team have the important job of managing the administration and accounting processes so that

they are transparent and meet the standards of our auditors. We need to be able to account for income and expenditure so that our donors have confidence that they can trust us with their donations. Timeous receipting, thanking and issuing of tax certificates to our donors is important to us. Without the public support we would not be able to function. Thank you to Jayne and the team for their professionalism and hard work.

Thank you to our volunteers who have helped us enormously during the year with ad hoc tasks.

I would like to conclude by paying tribute to Arleen Lord who retired in November 2014. Arleen has been an example to us all. She served the Association with dedication for 47 years. Each and every person who was privileged to know Arleen and receive her hospitality knows how much we will miss her. Thank you Arleen for your years of loyal service and enjoy your well-deserved retirement.



GAIL GLOVER
EXECUTIVE DIRECTOR

27/07/2015
DATE

HONORARY TREASURER'S REPORT – YEAR ENDED 31 MARCH 2015

The Association enjoyed a very satisfactory year from a financial point of view, in spite of the sluggish economy and difficult trading conditions. Overall, we were able to finance our business operations through current cash flows without having to draw from our investment portfolio and this keeps the GDA in a healthy financial state and with a sound base to support its various strategic objectives well into the future.

Income from fund raising and sales of merchandise was marginally up on the previous year, although it fell short of budget. Many of the Association's planned fund raising activities were adversely affected by the postal strike and inconsistent deliveries of mail, making it difficult to get traditional communications to its supporters, with some events being cancelled altogether. Marketing efforts thus became focussed on other areas and many new fund raising initiatives were introduced. Access to new markets and potential supporters via the internet is opening great opportunities which will no doubt generate positive results in the future.

Our loyal pool of supporters ensured that we

saw real growth in fundraising donations and we are sincerely grateful for their ongoing support.

Costs were well controlled by a team of dedicated and professional staff. Notwithstanding a greater investment in personnel and a related cost, management was able to contain expenditure across the board and even reduce costs in many areas. More attention is being given to monitoring the condition and ongoing care of our trained dogs once they have left us; with our staff travelling and conducting on-site visits. This programme and other processes designed to improve the quality of guide-dogs being available to meet demand are just some of the many projects being undertaken.

I would be remiss if I failed to acknowledge the vital contribution from our corporate sponsors who have provided dog food and other necessary goods and services to us throughout the year. Without your support, the task of management to balance the books would have been much more difficult.

The College of Orientation & Mobility is still facing many challenges, one of which is attracting and retaining

sufficient "funded" students to the courses offered; the Association however remains committed to consolidating and developing this aspect of its activities and fresh ideas are always under consideration. It is vital that we work with NGO's, Provincial bodies and other organisations to provide stable and attractive employment opportunities for graduates, failing which many students are enticed into other commercial fields before graduating.

We have continued to benefit significantly from our regular group of benefactors, while the Marketing team has worked tirelessly to attract many new donors. During the past year we received a number of very generous bequests, resulting in a growth of more than 50% from this income source.

Our investment portfolio performed exceptionally well, both in terms of capital growth and income generated. The GDA has given the fund managers a risk averse investment mandate, being mindful of its responsibility to manage its financial assets in a conservative manner. Total income from this source increased year on year by 13% and our investments in

the property sector showed particularly pleasing yields. We are indebted to Nedbank Private Wealth for its wisdom and expertise in this area.

Capital expenditure, including amounts committed but not yet spent, was just over R 1.5 million for the financial year. Three new replacement vehicles were acquired which collectively accounted for R 640 000 and over R 330 000 was spent on upgrading security – mainly the electric fence - at the Sandton premises. The balance was spent on general facility and office upgrades as well as replacement computers for staff. Further enhancements, including a reliable back-up power supply, are presently being evaluated and will be undertaken during the current year.

In conclusion, I'd like to thank Jayne Nicolle, our Financial Manager and her team for all their hard work and unwavering commitment during the past year.



LAURENCE DAVID DRAKE
HONORARY TREASURER

27/07/2015
DATE



SOUTH AFRICAN GUIDE-DOGS
association for the blind

ANNUAL FINANCIAL STATEMENTS

31ST MARCH 2015

OFFICE BEARERS

Executive Director

Gail Glover
23 Pentlands Road
Blairgowrie

Honorary Chairman

Thomas David Parker
9 Bryanston Glades
41 Banbury Street
Bryanston West

Honorary Treasurer

Laurence David Drake
7 Del Lago, The Willows Estate
Pitsani Road
Kelland

NATURE OF ASSOCIATION

To promote freedom of movement and independence in visually impaired people, through mobility, by the provision of Guide Dogs and Orientation and Mobility services.

AUDITORS

Axiom Registered Accountants and Auditors

BANKERS

Nedbank Corporate
Nedbank Private Wealth

NON-PROFIT ORGANISATION REGISTRATION NUMBER

000-758 NPO

REGISTERED OFFICE

126 Wroxham Road
Rietfontein 2IR
Sandton

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8	Report of the Auditors
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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 7 to 22 were approved by the Executive Committee and are signed on their behalf



CHAIRMAN

27/07/2015

DATE



HONORARY TREASURER

27/07/2015

DATE

**REPORT OF THE CHAIRMAN OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND
FOR THE YEAR ENDED 31 MARCH 2015**

The executive committee present their report and the financial statements for the year then ended.

NATURE OF BUSINESS

To promote freedom of movement and independence in visually impaired people, through mobility, by the provision of Guide Dogs and Orientation and Mobility services.



FINANCIAL RESULTS

The results of operations as well as the financial position for the year are detailed in the attached financial statements.

CAPITAL

The Association does not have share capital. In the event of the winding up of the Association, the balance of funds available would be transferred to another organisation with similar objectives.

FIXED ASSETS

There was no change in the nature of the fixed assets of the Association or in the policy regarding their use.

EVENTS SUBSEQUENT TO THE YEAR END

A property (Erf 47 - 6th Avenue, Orange Grove) with a cost of R340 214 was sold for R 750 000 on 9 April 2015.

No other material fact or circumstance has occurred since the accounting date and the date of this report.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND

Report on the Financial Statements

We have audited the financial statements of the South African Guide-Dogs Association for the Blind which comprise the Chairman’s Report, the Statement of Financial Position as at 31 March 2015, the Statement of Comprehensive Income, and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 2 to 14.

Executive Board’s Responsibility for the Financial Statements

The Association’s Executive Board is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the South African Guide-Dogs Association for the Blind. 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.

Auditor’s 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 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.

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

Income

The Association, in common with other charitable organisations, receives certain income from public donations and events, the recognition of which, due to its nature, is not susceptible to verification by generally accepted auditing procedures. Therefore, our examination relating to such income was limited to the amount thereof recorded in the financial records.

Opinion

In our opinion, except for the effects of such adjustments, if any, regarding to matters referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the Association at 31 March 2015 and the results of its operations for the year then ended in accordance with the requirements of the South African Guide-Dogs Association for the Blind.

Axiom Registered Accountants & Auditors - DENISE CARR

AXIOM REGISTERED ACCOUNTANTS & AUDITORS
REGISTERED AUDITOR – DENISE NOELLE CARR (644110)
SHOP 7 MAGIC GARDEN CENTRE, ARCONPARK, VEREENIGING

27/07/2015
DATE

27/07/2015
Vereeniging
1939

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 R	2014 R
SUBSCRIPTIONS	8	20 044	17 719
	5	17 916 131	16 882 568
OTHER INCOME			
Fundraising from donations		11 233 826	10 185 296
Fundraising from events		957 361	1 002 233
College of Orientation and Mobility Training income		314 826	136 374
Donation National Lottery		-	-
Sale of dogs		55 863	12 613
Trading activities		(47 592)	193 872
Dividend revenue	6	4 388 934	2 515 497
Interest received	6	787 198	2 055 697
Rental income		225 715	205 854
Sundry income		-	575 132
		20 243 417	20 769 873
EXPENDITURE			
Depreciation, amortisation and impairments		419 052	356 158
Fundraising expenses		2 201 685	2 044 802
Administration expenses		5 464 722	5 742 538
Fleet expenses		453 734	451 386
Kennel expenses		2 736 553	2 821 517
Training Centre Johannesburg expenses		3 764 218	3 651 256
Training Centre Cape Town expenses		935 497	968 106
House & Grounds Johannesburg expenses		944 565	943 910
House & Grounds Cape Town expenses		410 842	454 642
College & Orientation and Mobility Johannesburg		2 804 015	3 223 121
Loss on disposal of assets		108 534	112 437
		(2 307 242)	(3 869 586)
OPERATING (LOSS) / PROFIT FOR THE YEAR			
Finance costs		-	(9)
(LOSS) / PROFIT FOR THE YEAR		(2 307 242)	(3 869 595)
OTHER COMPREHENSIVE INCOME	5	8 203 474	5 239 567
Bequests received		7 933 474	5 109 567
Contribution from The John and Esther Ellerman Memorial Trust	16	270 000	-
Contribution from SAGA Trust		-	130 000
NET SURPLUS FOR THE YEAR		5 896 232	1 369 972

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2015

	Notes	2015 R	2014 R
ASSETS			
Non-current assets			
		120 740 499	98 490 274
Financial assets	10	104 226 468	82 904 536
Property, plant and equipment	9	16 514 031	15 585 738
Current assets			
		1 699 729	2 124 945
Inventories		109 996	171 800
Trade and other receivables	11	692 198	791 585
Cash and bank		897 535	1 161 560
TOTAL ASSETS		<u>122 440 228</u>	<u>100 615 219</u>
EQUITY AND LIABILITIES			
Capital and reserves			
		119 798 320	99 326 629
Accumulated funds		89 008 130	76 792 003
Revaluation reserve		30 790 190	22 534 626
Current liabilities			
Trade and other payables	12	2 641 908	1 288 590
TOTAL EQUITY AND LIABILITIES		<u>122 440 228</u>	<u>100 615 219</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

	Notes	Accumulated surplus R	Revaluation of investment R	Total R
Balance at 31 March 2012		65 084 205	15 864 495	80 948 700
Net deficit for the year		(5 146 696)	-	(5 146 696)
Revaluation reserve		-	11 227 983	11 227 983
Bequests / Contributions for the year		4 716 191	-	4 716 191
Property donations for the year		250 000	-	250 000
Net profit on disposal of financial assets		2 362 634	-	2 362 634
Balance at 31 March 2013		67 266 334	27 092 478	94 358 812
Net deficit for the year		(3 869 593)	-	(3 869 593)
Revaluation reserve		-	(4 557 852)	(4 557 852)
Bequests / Contributions for the year	5	5 239 567	-	5 239 567
Property donations for the year		-	-	-
Net profit on disposal of financial assets	5 / 6	8 155 695	-	8 155 695
Balance at 31 March 2014		76 792 003	22 534 626	99 326 629
Net deficit for the year		(2 307 242)	-	(2 307 242)
Revaluation reserve		-	8 255 564	8 255 564
Bequests / Contributions for the year	5	8 203 474	-	8 203 474
Property donations for the year		-	-	-
Net profit on disposal of financial assets	5 / 6	6 319 895	-	6 319 895
Balance at 31 March 2015		89 008 130	30 790 190	119 798 320

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2015

Notes	2015 R	2014 R
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated by operations	6 054 748	4 449 241
Finance Costs	(5 441 279)	(8 277 639)
Income from Investments	13,1 -	(9)
	11 496 027	12 726 889
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(14 522 247)	(9 463 484)
Decrease / (Increase) in financial assets	(1 919 996)	(984 804)
Proceeds on disposal of property, plant and equipment	(13 066 368) 464 117	(8 711 193) 232 513
CASH FLOWS FROM BEQUEST ACTIVITIES		
Bequests / Contributions received during the year	8 203 474	5 239 567
Property donations received for the year	8 203 474 -	5 239 567 -
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(264 025)	225 324
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1 161 560	936 236
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	897 535	1 161 560

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**1. ACCOUNTING POLICIES**

The annual financial statements, as set out on pages 5 - 12 are prepared on the historical cost basis with the exception of investments as detailed in note 1.4 and incorporate the following principal accounting policies which are consistent with those applied in the previous year.

The financial statements are prepared on the going concern basis.

1.1 Financial instruments*Initial recognition*

The Association classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the Association's statement of financial position when the Association becomes party to the contractual provisions of the instrument.

Financial assets

The Association classifies its financial assets into the following categories:

- held-to-maturity financial assets;
- available-for-sale financial assets; and
- financial assets at fair value through profit and loss.

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

Financial assets are recognised on transaction date when the Association becomes a party to the contracts and thus obtains rights to receive economic benefits and are derecognised when these rights no longer exist.

Financial assets are stated initially on transaction date at fair value including transaction costs.

Held-to-maturity financial assets are subsequently stated at amortised cost using the effective interest rate method. Available-for-sale financial assets are subsequently stated at fair value at the reporting date.

Unrealised gains and losses arising from revaluation of available-for-sale financial assets are recognised as other comprehensive income and included in the investment fair value reserve. On disposal or impairment of available-for-sale financial assets, cumulative unrealised gains and losses previously recognised in other comprehensive income are included respectively in determining the profit or loss on disposal of, or impairment charge relating to, that financial asset, which is recognised in the income statement.

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

Financial liabilities

Debt, which constitutes a financial liability, includes short-term and long-term debt. Debt is initially recognised at fair value, net of transaction costs incurred and is subsequently stated at amortised cost.

Debt is classified as short-term unless the entity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Debt is derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the income statement as finance expenses based on the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 - CONTINUED

1.2 Property and equipment

Equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

- 10% Vehicles
- 20% Furniture & Fittings
- 12,5% Software
- 12,5% Computer Equipment
- 16,67% Equipment
- 10% College of Orientation Library

Land and buildings are not depreciated nor subject to impairment and are stated at cost or bequeathed value.

The carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognised.

1.3 Investments

All investments are initially recognised at cost. Listed shares are recognised as available-for-sale, which are measured at fair value, with unrealised gains and losses recognised as a separate component of equity, until the investment is sold. Fair value of investments are determined by reference to JSE quoted market bid prices.

1.4 Accumulated funds

All income and expenditure of a revenue nature is accounted for in the statement of comprehensive income.

1.5 Employee Benefits

Post-retirement benefits

Post retirement benefits are made up of those obligations which the Association has towards current or past employees.

Defined contribution plans

Contributions in respect of defined contribution plans are recognised as an expense in the year to which they relate.

1.6 Provisions

Provisions are recognised where the Association has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Long-term provisions are determined by discounting the expected future cash flows to their present value.

The increase in discounted long-term provisions as a result of the passage of time is recognised as a finance expense in the statement of comprehensive income.

1.7 Revenue

Donations, Sponsorships, Course fees, Events, Trading and Subscriptions

Revenue from donations, sponsorships, course fees and subscriptions are recognized when cash is received and it stated at net of direct costs incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 - CONTINUED

*Interest and Dividends*

Interest is recognized on the accrual basis.

Dividends are recognized when these are received.

Profit and loss on disposal of financial assets

On disposal of financial assets the profit and loss made is stated directly in equity under the statement of changes in equity.

1.8 Bequests

Bequests received are credited to accumulated funds.

2. TAXATION

The Association is an approved Public Benefit Organisation and is exempt from normal tax in terms of section 30 of the Income Tax Act.

3. KEY ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- Depreciation is influenced by useful life and residual value estimations. Any change in Management's estimates of residual values and useful lives would impact the depreciation charge.

4. DEFINITIONS**4.1 Cash and cash equivalents**

The cash and cash equivalents amounts disclosed in the cash flow statement comprise cash on hand, deposits held on call with banks and highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant changes in value.

4.2 Financial instruments**4.2.1 Financial asset**

Cash or cash equivalents, a right to receive cash, an equity instrument or a right to exchange a financial instrument under favourable conditions.

4.2.2 Financial liability

A contractual obligation to pay cash or transfer other benefits or an obligation to exchange a financial instrument under unfavourable conditions. This includes debt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 - CONTINUED

4.2.3 Loans and receivables

A financial asset with fixed or determinable repayments that are not quoted in an active market, other than:
 - a derivative instrument; or
 - an available-for-sale financial asset.

4.2.4 Available-for-sale financial asset

A financial asset that has been designated as available-for-sale or a financial asset other than those classified as loans and receivables, held-to-maturity investments or derivative instruments.

An investment intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, is classified as a non-current available-for-sale financial asset.

4.2.5 Transaction date

The date an entity commits itself to purchase or sell a financial instrument.

4.2.6 Effective interest rate

The derived rate that discounts the expected future cash flows to the current net carrying amount of the financial asset or financial liability.

5. REVENUE

Total revenue comprises:

- Donations and Sponsorships
- Fundraising and other
- Investment income

	2015	2014
	R	R
- Donations and Sponsorships	11 233 826	10 185 296
- Fundraising and other	1 506 173	1 589 719
- Investment income	5 176 132	4 571 194
	<u>17 916 131</u>	<u>16 346 209</u>
- Subscriptions	20 044	17 719
- Bequests / Contributions for the year	8 203 474	5 239 567
- Net profit on disposal of financial assets	6 319 895	8 155 695
	<u>32 459 544</u>	<u>29 759 190</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 – CONTINUED

6. INCOME FROM INVESTMENTS

	2015 R	2014 R
Dividends - listed shares	4 388 934	2 515 497
Interest	787 198	2 055 697
Loss on sale of investments	(126 853)	(99 298)
Profit on sale of investments	6 446 748	8 254 993
	<u>11 496 027</u>	<u>12 726 889</u>

7. OPERATING COSTS

	2015 R	2014 R
Operating costs include:	47 114	46 240
Audit fees	40 280	39 280
- Current year	3 780	3 780
- Accounting Fees	3 054	3 180
- Other Expenses		
Key Management - Salary (excl employer contributions)	3 002 580	3 608 148
- Number of key management employed during the year	6	6
Depreciation - Furniture and fittings	49 614	43 646
- Motor vehicles	193 066	156 550
- Equipment	97 600	79 483
- Computers	66 265	63 851
- Software	7 463	7 588
- College of Orientation Library	5 042	5 041
Staff Costs		
- Salaries and wages (excl Key Management)	9 369 162	8 886 356
- Contributions to retirements funds	1 454 713	1 028 655
- Medical aid contributions	900 976	885 582
- Average number of employees employed during the year (excl Key Management)	55	54

8. MEMBERSHIP

	2015 #	2014 #
Annual	159	228
Life	99	172
	60	56

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 – CONTINUED

9. PROPERTY, PLANT AND EQUIPMENT

	Cost	2015		Cost	2014	
		Accumulated Depreciation	Carrying Value		Accumulated Depreciation	Carrying Value
Property	12 808 837	-	12 808 837	12 445 414	-	12 445 414
Furniture and fixtures	872 199	(712 305)	159 894	780 883	(662 692)	118 191
Motor vehicles	3 764 544	(1 052 562)	2 711 982	3 181 071	(944 739)	2 236 332
Office Equipment	779 210	(328 788)	450 422	640 511	(272 638)	367 873
IT Equipment	636 148	(303 713)	332 435	601 526	(246 564)	354 962
Computer software	59 709	(39 692)	20 017	59 709	(32 229)	27 480
College of Orientation Library	50 418	(19 974)	30 444	50 418	(14 932)	35 486
	18 971 065	(2 457 034)	16 514 031	17 759 532	(2 173 794)	15 585 738

Reconciliation of property, plant and equipment

	Opening Balance	2015			Total
		Additions	Disposals	Depreciation	
Property	12 445 414	513 423	(150 000)	-	12 808 837
Furniture and fixtures	118 191	91 317	-	(49 614)	159 894
Motor vehicles	2 236 332	941 247	(272 531)	(193 066)	2 711 982
Office Equipment	367 873	325 273	(145 124)	(97 600)	450 422
IT Equipment	354 962	48 736	(4 998)	(66 265)	332 435
Computer software	27 480	-	-	(7 463)	20 017
College of Orientation Library	35 486	-	-	(5 042)	30 444
	15 585 738	1 919 996	(572 653)	(419 050)	16 514 031

Reconciliation of property, plant and equipment

	Opening Balance	2014			Total
		Additions	Disposals	Depreciation	
Property	12,522,975	22,439	(100,000)	-	12,445,414
Furniture and fixtures	72,999	88,838	-	(43,646)	118,191
Motor vehicles	1,992,950	560,470	(160,538)	(156,550)	2,236,332
Office Equipment	219,338	245,544	(17,526)	(79,483)	367,873
IT Equipment	411,207	67,513	(59,907)	(63,851)	354,962
Computer software	42,046	-	(6,978)	(7,588)	27,480
College of Orientation Library	40,527	-	-	(5,041)	35,486
	15,302,042	984,804	(344,949)	(356,159)	15,585,738

DETAILS OF PROPERTY

- | | | |
|----|-------------------------------------|----------------|
| 1. | Portion 126 of Rietfontein, Sandton | 54408/83 |
| 2. | Erf 47 - 6th Avenue, Orange Grove | T6569/1999 |
| 3. | 89 Belvedere Road, Claremont | T93012/2005 |
| 4. | 85 Belvedere Road, Claremont | T00094572/2007 |

Fair value of Land and Buildings is estimated by the respective municipalities at R 12 400 000 (31 March 2015)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 – CONTINUED

10. FINANCIAL ASSETS (AVAILABLE-FOR-SALE)

Nedbank Private Wealth Securities Managed Portfolio
Funds on Call

2015	2014
R	R
85 504 918	74 561 266
18 721 550	8 343 270
<u>104 226 468</u>	<u>82 904 536</u>

Opening balance

82 904 536 78 751 193

Interest received

774 088 2 055 697

Dividends received

4 388 934 2 515 497

Brokerage fees

(830 549) (668 996)

Capital (Redeemed)/Introduced

2 414 000 (3 346 699)

Shares Sold

(3 800 590) (6 612 227)

Proceeds on sale of shares

10 120 485 14 767 922

Adjust to fair value - prior year reversal

(22 534 625) (27 092 477)

Adjust to fair value - current year

30 790 189 22 534 625

104 226 468 82 904 536

11. TRADE AND OTHER RECEIVABLES

SARS - Vat

135 775 60 053

Prepayments

198 329 122 539

Sundry debtors

352 905 601 205

Deposits

5 189 7 789

692 198 791 586

Maturity profile

Within one year

508 175 481 732

More than one year

184 023 309 854

692 198 791 586

Fair value of trade and other receivables

The carrying value approximates the fair value because of the short period to maturity of these instruments.

Collateral

The Association holds no collateral over trade and other receivables.

12. TRADE AND OTHER PAYABLES

	2015 R	2014 R
Trade payables	2 104 252	932 457
Other payables	537 657	356 133
	<u>2 641 909</u>	<u>1 288 590</u>
Maturity profile		
Within one year	2 641 909	1 288 590
One to two years	-	-
	<u>2 641 909</u>	<u>1 288 590</u>

Fair value of trade & other payables

The carrying value approximates the fair value because of the short period to settlement of these obligations.

Leave pay provision

The leave pay provision which is included in other payables was based on 18% (2014: 18%) of the total obligation of R640 816 (2014: R429 299) for the year.

13. NOTES TO THE STATEMENT OF CASH FLOWS

	2015 R	2014 R
13.1 Reconciliation of net profit before taxation to cash generated by operations:		
Net (loss)/profit for the year	(2 307 242)	(3 869 595)
Adjustments for :		
Net profit on disposal of financial assets taken to equity	6 319 895	8 155 695
Amortisation	-	-
Depreciation	419 052	356 158
Finance Costs	-	9
Loss on disposal of property, plant and equipment	108 534	112 437
Income from investments	(11 496 027)	(12 726 889)
Operating profit before working capital changes	(6 955 788)	(7 972 185)
Changes in Working Capital		
(Increase)/Decrease in Inventory	61 804	(52 437)
(Increase)/Decrease in Accounts Receivable	99 387	(306 683)
Increase/(Decrease) in Accounts Payable	1 353 318	53 666
Cash Generated by operations	<u>(5 441 279)</u>	<u>(8 277 639)</u>

13.2 Events subsequent to the year end

A property (Erf 47 - 6th Avenue, Orange Grove) with a cost of R340 214 was sold for R 750 000 on 9 April 2015. No other material fact or circumstance has occurred since the accounting date and the date of this report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 – CONTINUED

14. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Introduction

The Association is exposed to liquidity, credit and commodity price risk arising from its financial instruments. The Director and Management have the overall responsibility for the establishment and oversight of the Association's risk management framework. The Director and Management established comprehensive risk management processes which would provide assurance that significant business risks are systematically identified, assessed and reduced to acceptable levels. The Director and Management meet regularly to review and, if appropriate, approve the implementation of optimal strategies for the effective management of financial risks.

Risk profile

Risk management and measurement relating to each of these risks are discussed under the headings below.

14.1 Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due. The Association manages liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The Association finances its operations through adequate banking facilities and reserve capital deposits held with reputable banking institutions. There are no severe restrictions on these banking facilities and capital deposits. The Association has sufficient undrawn deposits which could be utilised to settle obligations.

	Note	<u>Total Cash Flows</u>	<u>Within one year</u>	<u>One to two years</u>	<u>More than two years</u>
		R	R	R	R
2015					
Financial Assets					
Loans and Receivables		1 589 733	1 405 710	178 834	5 189
SARS - VAT	11	135 775	135 775	-	-
Prepayments	11	198 329	198 329	-	-
Other debtors	11	352 905	174 071	178 834	-
Deposits	11	5 189	-	-	5 189
Cash at Bank		897 535	897 535	-	-
Investments available-for-sale	10	104 226 468	104 226 468	-	-
Total		105 816 201	105 632 178	178 834	5 189
Financial Liabilities					
Non-derivative instruments		2 641 909	2 641 909	-	-
Trade payables	12	2 104 252	2 104 252	-	-
Other payables	12	537 657	537 657	-	-
Total		2 641 909	2 641 909	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 – CONTINUED

	Note	Total Cash Flows	Within one year	One to two years	More than two years
		R	R	R	R
2014					
Financial Assets					
Loans and Receivables		1,953,146	1 643 292	-	7,789
SARS - Vat	11	60,053	60,053	-	-
Prepayments	11	122,539	122,539	-	-
Other debtors	11	601,205	299,140	302,065	-
Deposits	11	7,789	-	-	7,789
Cash at Bank		1,161,560	1 161 560	-	-
Investments available-for-sale	10	82,904,536	82,904,536	-	-
Total		84,857,682	84 547 828	-	7,789

Financial Liabilities					
Non-derivative instruments		1,288,590	1,288,590	-	-
Trade payables	12	932,457	932,457	-	-
Other payables	12	356,133	356,133	-	-
Total		1,288,590	1,288,590	-	-

14.2 Credit Risk

Credit risk, or the risk of financial loss due to counterparties not meeting their contractual obligations, is managed by monitoring procedures. Trade and other receivables consist mainly of prepayments. The Association does not have customers who might owe monies.

Credit Risk exposure in respect of trade receivables is further analysed in note 11.

The carrying value of the investments available-for-sale, loans and receivables and derivative financial instrument financial assets represent the maximum credit risk exposure.

14.3 Investment Return Risk

Exposure to risk on financial assets, investments available-for-sale and liabilities are monitored on a continuous and proactive basis.

At the reporting date, the interest rate profile of the Association's interest bearing financial instruments were:

	2015	2014
Fixed Rate Instruments (average)	6,5%	6,0%
At the reporting date, the Association was exposed to interest rate influences on cash deposits of	18 721 550	15 091 065

	2015	2014
At the reporting date, the profile of the Associations' listed financial instruments were:		
At the reporting date, the Association was exposed to market influences on listed equities valued at	85 504 918	74 561 266

15. THE JOHN AND ESTHER ELLERMAN TRUST

SA Guide-Dogs Association for the Blind was pleased to accept a grant from John and Esther Ellerman Trust. These funds were used to subsidise the salaries of two Orientation and Mobility (O & M) Practitioners who were facilitating at our College of Orientation & Mobility. These O & M Practitioners also provided direct services to Prinshof School for the Visually Impaired and Sibonile School For The Blind.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND TRUST

Report on the Financial Statements

We have audited the financial statements of the South African Guide-Dogs Association for the Blind Trust which comprise the balance sheet as at 31 March 2015, the income statements, the statement of changes in equity for the year then ended, a summary of significant accounting policies and other explanatory notes as set out on pages 24 to 25.

Trustee's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the South African Guide-Dogs Association for the Blind Trust. 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.

Auditor's 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 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.

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

Income

The Trust, in common with other charitable organisations,

receives certain income from public donations and functions, the recognition of which, due to its nature, is not susceptible to verification by generally accepted auditing procedures. Therefore, our examination relating to such income was limited to the amount thereof recorded in the financial records.

Opinion

In our opinion, except for the effects of such adjustments, if any, regarding to matters referred to in the preceding paragraph, the financial statements fairly present, in all material respects, the financial position of the Trust at 31 March 2015 and the results of its operations for the year then ended in accordance with the requirements of the South African Guide-Dogs Association for the Blind Trust.

Denise Noelle Carr
AXIOM REGISTERED ACCOUNTANTS & AUDITORS
REGISTERED AUDITOR – DENISE NOELLE CARR (644110)
 SHOP 7 MAGIC GARDEN CENTRE, ARCONPARK, VEREENIGING

27/07/2015

Vereeniging

1939

27/07/2015

DATE

**SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND TRUST
INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2015**

	2015 R	2014 R
DONATIONS RECEIVED	-	130 000
BANK CHARGES	-	-
INCOME FOR THE YEAR	-	130 000

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

	2015 Retained Income	2014 Retained Income
BALANCE AT 31 MARCH 2013	2 000	2 000
INCOME FOR THE YEAR	130 000	20 000
	132 000	22 000
FUNDS DISTRIBUTED TO S A GUIDE-DOGS ASSOCIATION FOR THE BLIND	(130 000)	(20 000)
BALANCE AT 31 MARCH 2014	2 000	2 000
INCOME FOR THE YEAR	-	130 000
	2 000	132 000
FUNDS DISTRIBUTED TO S A GUIDE-DOGS ASSOCIATION FOR THE BLIND	-	(130 000)
BALANCE AT 31 MARCH 2015	2 000	2 000

SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND TRUST

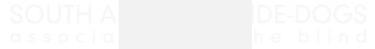
BALANCE SHEET AS AT 31 MARCH 2015

TRUST CAPITAL ACCOUNT

2015 R	2014 R
2,000	2,000
2,000	2,000

EMPLOYMENT OF CAPITAL

BANK BALANCE



TRUSTEE – Thomas David Parker

27/07/2015

DATE

TRUSTEE – Malcom Rumney Driver

27/07/2015

DATE

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

1. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis and incorporate the following principal accounting policies:

1.1 Revenue

Donations

Revenue from donations is recognised when cash is received.

1.2 Financial Instruments

Financial instruments recognised on the Balance Sheet comprise of cash held at a bank.

2. TAXATION

The Trust is an approved Public Benefit Organisation.

**COMPILATION REPORT TO THE BENEFICIARIES OF THE BRIGITTA ELEONORE HAARMYER
TESTAMENTARY TRUST FOR THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION**



SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND

Report on the Financial Statements

On the basis of information provided by management we have compiled, in accordance with the International Standard on Related Services applicable to compilation engagements, the balance sheet of the Brigitta Eleonore Haarmeyer Testamentary Trust for the South African Guide-Dogs Association as at 31 March 2015, the income statement and statement of changes equity for the year then ended.

Management is responsible for these financial statements.

We have not audited or reviewed these financial statements and accordingly express no assurance thereon.

Denice Noelle Carr
Accountants & Auditors -

AXIOM REGISTERED ACCOUNTANTS & AUDITORS
REGISTERED AUDITOR – DENICE NOELLE CARR (644110)
SHOP 7 MAGIC GARDEN CENTRE, ARCONPARK, VEREENIGING

27/07/2015
DATE

27/07/2015

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**BRIGITTA ELEONORE HAARMEYER TESTAMENTARY TRUST FOR THE
SOUTH AFRICAN GUIDE-DOGS ASSOCIATION**



INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	2015	2014
	R	R
DONATIONS RECEIVED	-	-
INTEREST RECEIVED	18 457	1 471
BANK CHARGES	-	(28)
INCOME FOR THE YEAR	18 457	1 443

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

	2015	2014
	Retained	Retained
	Income	Income
BALANCE AT 31 MARCH 2013	384 720	-
INCOME FOR THE YEAR	1 443	384 720
	386 163	384 720
FUNDS DISTRIBUTED TO S A GUIDE-DOGS ASSOCIATION FOR THE BLIND	-	-
BALANCE AT 31 MARCH 2014	386 163	384 720
INCOME FOR THE YEAR	18 457	1 443
	404 620	386 163
FUNDS DISTRIBUTED TO S A GUIDE-DOGS ASSOCIATION FOR THE BLIND	(17 295)	-
BALANCE AT 31 MARCH 2015	387 325	386 163

BRIGITTA ELEONORE HAARMEYER TESTAMENTARY TRUST FOR THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION



BALANCE SHEET AS AT 31 MARCH 2015

		2015	2014
		R	R
TRUST CAPITAL ACCOUNT		387 325	386 163
EMPLOYMENT OF CAPITAL			
BANK BALANCE	1.2	387 325	386 163

TRUSTEE – Thomas David Parker

27/07/2015

DATE

TRUSTEE – Gail Glover

27/07/2015

DATE

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

1. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis and incorporate the following principal accounting policies:

1.1 Revenue

Donations

Revenue from donations is recognised when cash is received.

1.2 Financial Instruments

Financial instruments recognised on the Balance Sheet comprise of cash held at a bank.

2. FUNDS DISTRIBUTED TO S A GUIDE-DOGS ASSOCIATION FOR THE BLIND

The Will of late B E Haarmeyer directs that only the interest earned on the capital bequeathed to the Trustees of the Trust may be paid out to the beneficiaries.