

**St Luke's Combined Hospices  
(NPO number 007-350/9399)  
(An association incorporated as a Non-Profit Company)  
Audited Annual Financial Statements  
for the year ended 31 March 2015**

**St Luke's Combined Hospices**  
**(NPO number 007-350/9399)**  
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**Annual Financial Statements for the year ended 31 March 2015**

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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.

## Independent Auditors' Report

### To the members of St Luke's Combined Hospices

We have audited the annual financial statements of St Luke's Combined Hospices, as set out on pages 8 to 20, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in funds 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 hospice's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and requirements of the Companies Act 71 of 2008, 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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' 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 qualified audit opinion.

### Basis for Qualified Opinion

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

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects, the financial position of St Luke's Combined Hospices as at 31 March 2015, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act 71 of 2008.

## AUDITING & INSIGHT

**Other matter**

***Secretarial duties***

We draw your attention to the fact that with the written consent of all shareholders we have performed certain secretarial duties.

***Supplementary information***

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 21 - 29 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.

***Other reports required by the Companies Act***

As part of our audit of the annual financial statements for the year ended 31 March 2015, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited annual financial statements. This report is the responsibility of the respective preparer.

Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

*Nolands*

Nolands Inc  
Registered Auditors  
Practice number 900583e  
Per: Mark Schulze CA(SA), RA  
Director

10 September 2015

Cape Town

**St Luke's Combined Hospices  
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**Directors' Responsibilities and Approval**

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The directors are required by the Companies Act 71 of 2008, 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 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

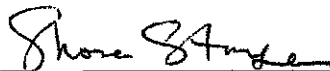
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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 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 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 2 to 3.

The annual financial statements set out on pages 8 to 20, which have been prepared on the going concern basis, were approved by the board directors and were signed on its behalf by:



S Sturgeon (Chairman)

  
A Scott (Treasurer)

Cape Town

10 September 2015

**St Luke's Combined Hospices**  
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**Directors' Report**

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The directors submit their report for the year ended 31 March 2015.

St Luke's Hospice was incorporated on the 30 August 1980 as a Section 21 company.

The Organisation provides a "Palliative Care" service to the terminally ill of Cape Town and its surrounds. It has 10 Community Hospices and 2 wards. During the past financial year the company provided a valuable service to an average of 850 patients per day.

In June 1988 the operations of the Organisation was placed into a renamed company called "St Luke's Combined Hospices" leaving the old company (St Luke's Hospice) as a property owning entity.

St Luke's Combined Hospices is registered as a "Public Benefit Organisation". Donations and bequests from the public play a major role in the provision of the services to the patients and the continued existence of the Organisation. Thank you to all our Donors who have supported us through the years. We cannot list all of them, but should like to mention the following Organisations amongst many others, who have supported our work during the financial year.

Provincial Administration of the Western Cape Department of Health  
The United States President's Emergency Plan for AIDS Relief (PEPFAR)

ABSA  
Allerschlaraffisches Symphonic Orchestra  
Atlantic Charters  
Cape Union Mart  
Direct Axis  
Independent Newspapers  
Investec  
Joan St Ledger Lindberg Charitable Trust  
Lewis Group  
Mercedes Benz Commercial Vehicles  
Mercedes Benz Financial Services  
Nampak  
National Lottery Distribution Trust Fund  
OSS Office Furniture  
Pick 'n Pay  
Rand Trust  
Rotary Club of Claremont  
Rotary Club of Wynberg  
Sandown Motors  
The Pola Pasvolsky Charitable & Educational Trust  
Thorpe General Motors  
Trencor  
Union of Jewish Women

We would also like to thank all the TRUSTS that support St Luke's Hospice , a number of these do so on a regular basis.

While a large portion of income is self-generated through various internal initiatives, the organisation would struggle to maintain its level of excellent service without the generosity and support of individual and corporate donors.

As mentioned above, many donors have supported our work for years and we are extremely grateful for their contributions made, thus supporting our absolutely necessary service to the communities of Cape Town.

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**Directors' Report**

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**INCOME:**

Income for the year ended was R 35,286,374 (2014: R 34,502,411).

Our partnership with the Department of Health Western Cape Government continues in respect of our Homebase Care centres in Gugulethu and Khayelitsha, as well as our TB centre in Khayelitsha.

**EXPENDITURE:**

Expenses were well managed and contained to a marginal underspend on approved Budget. The cost of providing high quality care to our patients was 65% of total costs with just 35% being consumed for fundraising and administration expenses.

Being a service organisation the single biggest expenses was salaries at 74% of expenses. We continually strive to attract good staff, consequently having to offer and pay reasonably acceptable salaries.

**CAPITAL EXPENDITURE:**

Capital acquisitions for the period include motor vehicles, computer equipment, security equipment and furniture.

**FORECAST FOR 2015/2016**

The directors have approved an expense budget of R 38.307m. This budget, which reflects a deficit of R 724K, will be balanced through effective management of expenditure and the balance from cash reserves.

**COMMUNITY HOSPICES**

We are fortunate to have many dedicated Volunteers who give their energy, resources and time to the running of the community hospices in and around the greater Cape Town.

The Board of Directors thanks the committees and volunteers of the various community branches for their input and also contributions to net Income as reflected in the annual financial statements.

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

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**Directors' Report**

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**1. Going concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**2. Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

**3. Distributions**

The Hospice is prohibited in terms of its Memorandum of Incorporation from distributing any reserves or assets to its members.

**4. Directors**

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

Name	Nationality	Changes
S Sturgeon (Chairman)	South African	Appointed as Chairperson 12 September 2013
A Scott (Treasurer)	South African	
E Cyster	South African	
Y Petersen	South African	
R Ulster	South African	
ID Werner	South African	
H Morton	South African	
G Hendricks	South African	
M Wakefield	South African	Appointed 12 September 2014

**5. Auditors**

Nolands Inc will continue in office in accordance with section 90 of the Companies Act 71 of 2008.



**St Luke's Combined Hospices**  
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**Statement of Financial Position as at 31 March 2015**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2015</b>	<b>2014</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	3,921,142	3,621,585
Loans to related entities	3	12,352,903	17,329,380
Other financial assets	4	30,000	40,000
		<u>16,304,045</u>	<u>20,990,965</u>
<b>Current Assets</b>			
Trade and other receivables	5	1,319,387	1,731,801
Cash and cash equivalents	6	18,210,891	17,212,826
		<u>19,530,278</u>	<u>18,944,627</u>
<b>Total Assets</b>		<u><b>35,834,323</b></u>	<u><b>39,935,592</b></u>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Revaluation reserve	7	137,114	161,154
Sustainability funds		31,701,484	35,591,869
		<u>31,838,598</u>	<u>35,753,023</u>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Interest-bearing borrowings	8	576,063	272,997
<b>Current Liabilities</b>			
Interest-bearing borrowings	8	255,433	295,652
Trade and other payables	9	2,306,029	3,313,920
Deferred income		858,200	300,000
		<u>3,419,662</u>	<u>3,909,572</u>
<b>Total Liabilities</b>		<u><b>3,995,725</b></u>	<u><b>4,182,569</b></u>
<b>Total Funds and Liabilities</b>		<u><b>35,834,323</b></u>	<u><b>39,935,592</b></u>

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**Statement of Comprehensive Income**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2015</b>	<b>2014</b>
<b>Continuing operations</b>			
Sale of goods		8,380,179	7,233,477
Cost of sales		(2,564,625)	(2,419,871)
<b>Gross surplus</b>		<b>5,815,554</b>	<b>4,813,606</b>
Other income		26,155,819	26,152,659
Operating expenses		(36,270,716)	(36,166,814)
<b>Operating deficit</b>		<b>(4,299,343)</b>	<b>(5,200,549)</b>
Investment revenue	10	750,376	1,116,275
Finance costs	11	(358,463)	(384,376)
<b>Deficit before taxation</b>		<b>(3,907,430)</b>	<b>(4,468,650)</b>
Taxation	12	-	-
<b>Deficit for the year from continuing operations</b>		<b>(3,907,430)</b>	<b>(4,468,650)</b>
<b>Other income recognised in equity</b>			
Realisation of revaluation reserve		17,045	82,535
<b>Total comprehensive deficit for the year</b>		<b>(3,890,385)</b>	<b>(4,386,115)</b>

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**Statement of Changes in Funds**

<b>Figures in Rand</b>	<b>Revaluation reserve</b>	<b>Sustainability funds</b>	<b>Total funds</b>
<b>Balance at 01 April 2013</b>	<b>243,689</b>	<b>39,977,984</b>	<b>40,221,673</b>
Deficit for the year	-	(4,386,115)	(4,386,115)
Other comprehensive income	(82,535)	-	(82,535)
<b>Total comprehensive loss for the year</b>	<b>(82,535)</b>	<b>(4,386,115)</b>	<b>(4,468,650)</b>
<b>Balance at 01 April 2014</b>	<b>161,154</b>	<b>35,591,869</b>	<b>35,753,023</b>
Deficit for the year	-	(3,890,385)	(3,890,385)
Other comprehensive income	(24,040)	-	(24,040)
<b>Total comprehensive deficit for the year</b>	<b>(24,040)</b>	<b>(3,890,385)</b>	<b>(3,914,425)</b>
<b>Balance at 31 March 2015</b>	<b>137,114</b>	<b>31,701,484</b>	<b>31,838,598</b>

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**Statement of Cash Flows**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities</b>			
Cash used in operations	14	(3,739,520)	(5,029,204)
Interest income		750,376	1,116,275
Finance costs		(358,463)	(384,376)
<b>Net cash from operating activities</b>		<b>(3,347,607)</b>	<b>(4,297,305)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	2	(1,006,322)	(1,112,686)
Proceeds from sale of property, plant and equipment	2	112,670	65,906
Repayment of loans from related entities		3,599,465	(8,602,881)
Undefined Difference		1,377,012	-
<b>Net cash from investing activities</b>		<b>4,082,825</b>	<b>(9,649,661)</b>
<b>Cash flows from financing activities</b>			
Net movement in interest-bearing borrowings		262,847	(296,446)
<b>Total cash movement for the year</b>		<b>998,065</b>	<b>(14,243,412)</b>
Cash and cash equivalents at the beginning of the year		17,212,826	31,456,238
<b>Cash and cash equivalents at end of the year</b>	<b>6</b>	<b>18,210,891</b>	<b>17,212,826</b>

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**Accounting Policies**

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**1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 Significant judgements and sources of estimation uncertainty**

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

**Critical judgements in applying accounting policies**

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Financial assets measured at cost and amortised cost**

The company assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting period that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

**1.2 Property, plant and equipment**

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

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

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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**Accounting Policies**

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**1.2 Property, plant and equipment (continued)**

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

<b>Item</b>	<b>Average useful life</b>
Equipment and furniture	10 years
Medical equipment	10 years
Motor vehicles	5 years
Computer equipment	6 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

**1.3 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.

**Financial instruments at fair value**

All other financial instruments are measured at fair value through profit and loss.

**1.4 Tax**

**Current tax assets and liabilities**

No provision has been made for taxation as the receipts and accruals of the hospice is exempt from tax in terms of Section 10(1)(cN) of the Income Tax Act.

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**Accounting Policies**

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**1.5 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

**Operating leases - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

**1.6 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.

**1.7 Employee benefits**

**Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

**Defined contribution plans**

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

**1.8 Government grants**

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

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**Accounting Policies**

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**1.9 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.

Revenue received from donations, bequests and fundraising income is recorded when received.

**1.10 Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred.



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**Notes to the Annual Financial Statements**

Figures in Rand 2015 2014

**2. Property, plant and equipment**

	2015			2014		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
Furniture, office and general equipment	2,321,596	(1,322,698)	998,898	2,217,511	(1,161,026)	1,056,485
Medical equipment	473,058	(272,745)	200,313	389,403	(236,383)	153,020
Motor vehicles	4,665,603	(2,686,200)	1,979,403	4,261,778	(2,545,379)	1,716,399
Computer equipment	1,536,169	(793,641)	742,528	1,407,643	(711,962)	695,681
<b>Total</b>	<b>8,996,426</b>	<b>(5,075,284)</b>	<b>3,921,142</b>	<b>8,276,335</b>	<b>(4,654,750)</b>	<b>3,621,585</b>

**Reconciliation of property, plant and equipment - 2015**

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture, office and general equipment	1,056,485	104,403	-	(161,990)	998,898
Medical equipment	153,020	82,541	-	(35,248)	200,313
Motor vehicles	1,716,399	690,852	(23,551)	(404,297)	1,979,403
Computer equipment	695,681	128,526	-	(81,679)	742,528
	<b>3,621,585</b>	<b>1,006,322</b>	<b>(23,551)</b>	<b>(683,214)</b>	<b>3,921,142</b>

**Reconciliation of property, plant and equipment - 2014**

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture, office and general equipment	966,665	257,185	-	(167,365)	1,056,485
Medical equipment	167,697	15,736	-	(30,413)	153,020
Motor vehicles	1,684,747	504,851	(47,604)	(425,595)	1,716,399
Computer equipment	401,987	334,914	-	(41,220)	695,681
	<b>3,221,096</b>	<b>1,112,686</b>	<b>(47,604)</b>	<b>(664,593)</b>	<b>3,621,585</b>

**Pledged as security**

Carrying value of assets pledged as security for the interest-bearing liabilities as per note 8:

Motor vehicles	1,234,000	912,704
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**St Luke's Combined Hospices**  
**(NPO number 007-350/9399)**  
**(An association incorporated as a Non-Profit Company)**  
**Annual Financial Statements for the year ended 31 March 2015**

**Notes to the Annual Financial Statements**

Figures in Rand	2015	2014
<b>3. Loans to related entities</b>		
St Luke's Hospice (Property Company)	6,797,516	8,137,981
Norfolk Place Retirement Centre	-	1,577,781
St Luke's Hospice Foundation Trust	5,555,387	7,613,618
	<u>12,352,903</u>	<u>17,329,380</u>
These loans are unsecured, interest-free with no dates set for repayment.		
<b>4. Other financial assets</b>		
<b>Equity Instruments at cost</b>		
Unlisted investments at cost less accumulated impairment	<u>30,000</u>	<u>40,000</u>
The investment comprises of 50 Ordinary shares at R1 each and rights to a loan of R999 per share. The investment is in Highveld Syndication No 16, a public company incorporated in South Africa. The investment yields interest at an effective rate of 5.99% per annum. The investment is reflected at cost less accumulated impairment as no fair value is available.		
<b>Non-current assets</b>		
Held to maturity investments	<u>30,000</u>	<u>40,000</u>
<b>5. Trade and other receivables</b>		
Trade receivables	685,128	147,337
Prepayments	121,523	123,720
Deposits	61,048	55,448
Value-Added-Taxation	430,088	530,917
Other receivables	21,600	874,379
	<u>1,319,387</u>	<u>1,731,801</u>
The directors are of the opinion that the trade and other receivables are stated at fair value.		
<b>6. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	31,776	26,400
Bank balances -current accounts	3,151,548	1,224,974
Short-term deposits	15,027,567	15,961,452
	<u>18,210,891</u>	<u>17,212,826</u>
<b>7. Revaluation reserve</b>		
Opening balance	161,154	243,689
Realisation of reserves to other comprehensive income	(24,040)	(82,535)
	<u>137,114</u>	<u>161,154</u>

**St Luke's Combined Hospices**  
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**Notes to the Annual Financial Statements**

Figures in Rand	2015	2014
<b>8. Interest-bearing borrowings</b>		
Non-current liabilities	576,063	272,997
Current liabilities	255,433	295,652
	<u>831,496</u>	<u>568,649</u>
<p>The hospice has acquired certain motor vehicles on instalment sale financing.</p> <p>The average repayment term is 5 years and bear interest at varying rates linked to the SA Prime Lending Rate.</p> <p>The company's obligations under these liabilities are secured by certain property, plant and equipment as detailed in note 2 of these financial statements.</p>		
<b>9. Trade and other payables</b>		
Trade payables	608,549	852,615
Accrued leave pay	984,147	1,890,382
Accrued bonus	385,209	-
Accrued expenses	328,124	570,923
	<u>2,306,029</u>	<u>3,313,920</u>
<b>10. Investment revenue</b>		
Interest revenue		
Financial institutions	<u>750,376</u>	<u>1,116,275</u>
<b>11. Finance costs</b>		
Bank and interest-bearing borrowings	<u>358,463</u>	<u>384,376</u>
<b>12. Taxation</b>		
<p>No provision has been made for 2015 tax as the company is not liable for taxation in terms of section 10(1)(cN) of the Income Tax Act.</p>		
<b>13. Auditors' remuneration</b>		
Fees - for services rendered	<u>174,477</u>	<u>140,002</u>

**St Luke's Combined Hospices**  
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Figures in Rand	2015	2014
<b>14. Cash used in operations</b>		
(Deficit) / surplus before taxation	(3,907,430)	(4,468,650)
<b>Adjustments for:</b>		
Depreciation and amortisation	683,214	664,595
Gains on sale of property, plant and equipment	(89,119)	(18,302)
Interest received	(750,376)	(1,116,275)
Finance costs	358,463	384,376
Impairment loss	10,000	10,000
<b>Changes in working capital:</b>		
Trade and other receivables	412,414	(1,085,612)
Trade and other payables	(1,014,886)	587,687
Deferred income	558,200	12,977
	<u>(3,739,520)</u>	<u>(5,029,204)</u>

**15. Related parties**

**Relationships**

Community branches (incorporated under St Luke's Operating Company)

St Luke's Hospice - Athlone  
 St Luke's Hospice - Conwyn  
 St Luke's Hospice - False Bay  
 St Luke's Hospice - Grassy Park  
 St Luke's Hospice - Mitchells Plain  
 St Luke's Hospice - Table Mountain  
 St Luke's Hospice - West Coast

Related entities with common directors / trustees

St Luke's Hospice (Property Company)  
 St Luke's Hospice Foundation Trust  
 Norfolk Place Retirement Centre

**Related party balances and transactions with other related parties**

**Related party balances**

For additional information with regards to loans to and from related entities, refer to note 3 of these annual financial statements.

Transactions and balances with the community hospices are eliminated on presentation of these annual financial statements.

**St Luke's Combined Hospices  
(NPO number 007-350/9399)  
(An association incorporated as a Non-Profit Company)  
Annual Financial Statements for the year ended 31 March 2015**

**Notes to the Annual Financial Statements**

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Figures in Rand	2015	2014
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**16. Directors' remuneration**

No emoluments were paid to the directors during the year.

**17. Going concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**18. Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year that would have a material effect on the financial statements.

**St Luke's Hospice - Combined Hospices**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Consolidated Detailed Income Statement**

	2015 R	2014 R
<b>INCOME</b>		
Sale of goods	8,380,179	7,233,476
<b>COST OF SALES</b>	<b>(2,564,625)</b>	<b>(2,419,878)</b>
Shop expenses	(2,564,625)	(2,419,878)
<b>GROSS SURPLUS</b>	<b>5,815,554</b>	<b>4,813,598</b>
<b>OTHER INCOME</b>	<b>26,942,196</b>	<b>27,279,379</b>
Bequest	5,385,340	3,619,215
Club 2000, 2002 and 2003	3,361,522	3,451,997
Corporate and service clubs	952,572	587,136
Direct mail	1,272,653	920,287
Donations - general	2,711,298	2,853,236
Distribution - St Luke's Hospice Foundation Trust	2,223,373	1,807,756
European Union Funding	3,721,888	3,163,911
Education	208,750	98,300
Fundraising income	1,260,673	1,673,784
Gains on disposal of fixed assets	89,119	30,372
Hospice Palliative Care Association	43,441	706,741
In Memory Of Donations	301,594	391,491
Interest received	750,377	1,116,276
Patient care	1,883	4,835
Grants - Provisional Administration Western Cape	9,124	1,602,247
Telefundraising	2,927,224	3,130,902
Trust	1,723,665	2,120,893
<b>TOTAL INCOME</b>	<b>32,757,750</b>	<b>32,092,977</b>
Less: Fundraising costs	(5,430,661)	(5,346,773)
Less: Club 2000, 2002 and 2003 expenses	(1,487,366)	(1,406,974)
<b>TOTAL INCOME, NET OF FUNDRAISING COST</b>	<b>25,839,723</b>	<b>25,339,230</b>
<b>OPERATING EXPENSES</b>	<b>(29,747,153)</b>	<b>(29,807,880)</b>
Administration	(10,041,548)	(9,164,725)
Patient care	(19,293,072)	(20,364,765)
Maintenance	(412,532)	(288,390)
(Deficit) / surplus for the period	<b>(3,907,430)</b>	<b>(4,468,650)</b>
Realisation of revaluation reserve	17,045	82,535
<b>(Deficit) / surplus for the year</b>	<b><u>(3,890,385)</u></b>	<b><u>(4,386,115)</u></b>

**St Luke's Hospice - Combined Hospices**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Consolidated Detailed Income Statement**

	2015 R	2014 R
<b>OPERATING EXPENSES</b>		
<b>Patient Care</b>	<b>19,293,072</b>	<b>20,354,765</b>
Depreciation	683,214	664,593
Education	51,833	60,173
Insurance	99,277	106,460
Kitchen supplies	479,582	668,387
Laundry and cleaning	281,258	486,255
Medical supplies	245,436	343,773
Motor vehicle expenses	620,664	619,802
Donations and gifts	590	8,267
Municipal expenses	234,699	238,688
Office and general	212,047	281,145
Postage and telephone	311,180	364,754
Printing and stationary	157,568	163,261
Salaries and staff expenses	15,263,765	16,349,207
Security	428,448	-
Travel and transport	223,510	-
<b>Maintenance</b>	<b>412,532</b>	<b>288,390</b>
Building	293,527	212,814
Equipment	58,634	29,304
Garden	60,371	46,272
<b>Administration</b>	<b>10,041,548</b>	<b>9,164,726</b>
Auditors remuneration	194,977	168,802
Bank and finance charges	421,953	434,698
Computer expenses	196,721	127,381
Consulting fees	34,205	-
Insurance	182,101	133,383
Impairment	10,000	10,000
Loss on disposal of fixed assets	-	4,094
Motor vehicle expenses	202,311	249,071
Municipal expenses	66,724	150,638
Office and general	564,394	336,592
Postage and telephone	286,308	237,954
Printing and stationary	305,677	281,026
Salaries and staff expenses	6,738,154	5,482,736
Travel and transport	79,465	438,777
Placement fees	106,693	109,368
Promotions and marketing	34,125	12,452
Repairs and maintenance	215,900	325,397
Secretarial fees	11,900	9,700
Security	349,849	613,311
Subscriptions	40,091	39,346

**St Luke's Hospice - Athlone**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>104,370</b>	<b>75,503</b>
Donations	27,070	2,895
Fundraising income	60,041	57,405
Interest received	17,259	15,203
	<b>134,232</b>	<b>62,785</b>
<b>Expenses</b>		
Auditors remuneration	6,200	5,780
Bank charges	3,350	1,961
Day care	7,219	4,953
Depreciation	1,762	1,195
Volunteer expenses	88	2,183
Electricity and water	2,042	7,619
End of year party	-	1,510
Rent	-	8,654
Fundraising expenses	16,465	13,175
General expenses	1,532	3,680
Insurance	-	273
Printing and stationery	1,555	734
Repairs and maintenance	91,700	9,533
Telephone and fax	709	1,435
Transport	1,610	100
	<b>(29,862 )</b>	<b>12,718</b>
<b>(Deficit) / Surplus for the year</b>		



**St Luke's Hospice - Conwyn (Formerly: St Luke's Hospice Wynberg and Constantiaberg)**  
 (NPO number: 007-350/9399)  
 Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>102,679</b>	<b>55,189</b>
Donations	85,355	39,271
Interest received	17,324	14,323
Fundraising income	-	1,595
<b>Expenses</b>	<b>90,180</b>	<b>101,606</b>
Auditors remuneration	7,500	12,250
Bank charges	3,915	2,769
Day care	-	6,790
Depreciation	800	659
Donations	-	13,440
General expenses	8,502	4,610
Insurance	-	465
Medical supplies	246	-
Postage and telephone	14,125	14,982
Transport & training	6,765	3,960
Rent	47,569	40,941
Volunteer expenses	758	740
<b>Surplus / (Deficit) for the year</b>	<b>12,499</b>	<b>(46,417)</b>

**St Luke's Hospice - False Bay**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>1,721,869</b>	<b>1,488,380</b>
Fundraising income	1,346,389	1,270,101
Donations and bequests	273,772	130,247
Interest received	101,708	88,032
<b>Expenses</b>	<b>1,362,016</b>	<b>1,547,985</b>
Auditors remuneration	13,000	12,300
Bank charges	2,540	4,334
Central ward cost	220,740	337,024
Depreciation	15,376	16,705
Donations	443	247,616
Medical and surgical supplies	2,381	3,086
New shop costs	174,071	243,026
Motor vehicle expenses	46,167	27,821
Gift and general office expenses	22,464	14,935
Painting and stationery	6,608	10,341
Rentals	-	10,084
Repairs and maintenance	3,620	34,004
Salaries	786,995	533,827
Staff welfare	15,273	4,744
Telephone and fax	23,677	28,772
Training	6,500	579
Volunteer expenses	12,163	8,787
Impairment	10,000	10,000
<b>Surplus / (deficit) for the year</b>	<b>359,853</b>	<b>(59,605)</b>
Realisation of revaluation reserve	6,996	6,996
<b>Surplus / (deficit) for the year</b>	<b>366,849</b>	<b>(52,609)</b>

**St Luke's Hospice - Grassy Park**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>216,013</b>	<b>205,676</b>
Donations	46,954	21,247
Fundraising income	166,819	184,060
Interest received	2,240	369
<b>Expenses</b>	<b>178,655</b>	<b>134,325</b>
Auditors remuneration	6,600	6,200
Bank charges	6,293	5,673
Donations - central	35,980	33,440
Commission paid	-	3,900
Day Care	16,011	8,338
Depreciation	4,788	4,705
Fundraising expenses	58,049	24,955
General expenses	1,756	1,053
Insurance	-	273
Medical expenses	5,752	-
Printing and stationery	2,903	551
Repairs and maintenance	4,302	3,315
Security	10,984	9,565
Telephone and fax	5,837	4,121
Training	1,000	-
Travel-local	17,400	23,836
Volunteer expenses	1,000	4,400
<b>Surplus for the year</b>	<b>37,358</b>	<b>71,351</b>

**St Luke's Hospice - Mitchells Plain**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>147,036</b>	<b>55,672</b>
Donations	95,285	17,407
Fundraising income	47,284	34,799
Interest received	4,467	3,466
<b>Expenses</b>	<b>79,201</b>	<b>48,675</b>
Auditors remuneration	8,000	6,850
Bank charges	2,999	2,362
Day Care expenses	13,357	9,855
Depreciation	2,715	1,505
Fundraising expenses	37,401	19,450
Insurance	-	273
Medical expenses	-	332
General expenses	700	384
Printing and stationery	581	523
Repairs and maintenance	4,087	350
Telephone and fax	8,031	3,443
Volunteer expenses	1,330	3,348
<b>Surplus for the year</b>	<b>67,835</b>	<b>6,997</b>

**St Luke's Hospice - Table Mountain (Formerly St Luke's Hospice Sea Point and Liesbeeck)**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>218,639</b>	<b>149,009</b>
Donations	146,069	78,360
Sundry income	-	9,966
Interest received	72,570	60,683
<b>Expenses</b>	<b>166,738</b>	<b>173,585</b>
Auditors remuneration	7,500	6,850
Bank charges	851	904
Day Care	2,000	4,500
Depreciation	1,112	1,061
Ward cost	116,322	116,000
General expenses	8,326	2,045
Insurance	-	1,440
Loss on disposal of assets	-	4,094
Rental	-	16,150
Telephone and fax	23,400	16,200
Training	-	249
Transport cost	7,227	4,092
<b>Surplus / (Deficit) for the year</b>	<b>51,901</b>	<b>(24,576 )</b>

**St Luke's Hospice - West Coast**

(NPO number: 007-350/9399)

Annual Financial Statements for the year ended 31 March 2015

**Detailed Income Statement**

	2015 R	2014 R
<b>Income</b>	<b>3,308,596</b>	<b>2,762,452</b>
Charity shop income	3,308,596	2,762,452
<b>Cost of Sales</b>	<b>(344,028)</b>	<b>(303,417)</b>
Shop expenses	(344,028)	(303,417)
<b>Gross Surplus</b>	<b>2,964,568</b>	<b>2,459,035</b>
<b>Other Income</b>	<b>737,512</b>	<b>688,650</b>
Interest Received	350,572	289,738
Fundraising income	30,926	50,573
Donations and bequests	321,414	325,943
Gains on disposal of assets	34,600	22,396
<b>Expenses</b>	<b>2,168,555</b>	<b>2,024,118</b>
Auditors remuneration	15,000	13,750
Bank charges	80,846	33,189
Computer expenses	5,705	2,637
Day Care	20,328	20,298
Depreciation	85,766	58,218
Employee costs - Administration and Community Sister	710,609	792,329
Donations	51,462	436,856
General office expenses	26,690	28,396
Central ward costs	907,092	276,998
Motor vehicle expenses	5,422	6,432
Medical equipment and supplies	56,079	18,264
Nurse uniforms and insurance	-	3,923
Printing and stationery	28,660	25,038
Repairs and maintenance	37,090	183,694
Security	9,191	12,624
Staff gifts	15,011	-
Staff training	13,358	14,423
Staff Welfare	-	1,999
Telephone and fax	31,424	44,704
Travel - local	37,852	38,793
Utilities	10,563	11,553
Volunteers functions	20,407	-
<b>Surplus for the year</b>	<b>1,533,525</b>	<b>1,123,567</b>