

**The South African Medical Association (NPC) and its subsidiaries
(Registration number 1927/00136/08)
Consolidated Annual Financial Statements
for the year ended 31 December 2015**

The South African Medical Association (NPC) and its subsidiaries

(Registration number 1927/00136/08)

Consolidated Annual Financial Statements for the year ended 31 December 2015

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Association not for gain representing members of the medical profession
Registered office	Block F Castle Walk Corporate Park Nossob Street Erasmuskloof Pretoria 0181
Postal address	P O Box 74789 Lynnwood Ridge Pretoria 0040
Bankers	Standard Bank of South Africa Limited Nedbank Limited
Auditors	Nexia SAB&T Registered Auditors
Secretary	Adv. Yolande Lemmer
Company registration number	1927/00136/08
Level of assurance	These consolidated annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The consolidated annual financial statements were internally compiled by: CH Martin (CA (SA))

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the group 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated annual financial statements.

The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards 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 group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group 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 consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

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

The external auditors are responsible for independently auditing and reporting on the group's annual financial statements. The annual financial statements have been examined by the group's external auditors and their report is presented on page 4.

The external auditors were given unrestricted access to all financial records and related data, including minute of all meetings of shareholders, the board of directors and committees of the board. The board believed that all representations made to the independent auditors during the audit are valid and appropriate.

The annual financial statements set out on page, which have been prepared on the going concern basis, were approved by the board on _____ and were signed on their behalf by:

Director

Director

Independent Auditor's Report

To the shareholders of The South African Medical Association (NPC) and its subsidiaries

We have audited the consolidated annual financial statements of The South African Medical Association (NPC) and its subsidiaries, as set out on pages 8 to 45, which comprise the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these consolidated annual financial statements in accordance with International Financial Reporting Standards 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 consolidated 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 consolidated 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 consolidated annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated 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 company'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 consolidated annual financial statements.

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

Opinion

In our opinion, the consolidated annual financial statements present fairly, in all material respects, the financial position of The South African Medical Association (NPC) and its subsidiaries as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act 71 of 2008.

Other reports required by Companies Act 71 of 2008

As part of our audit of the consolidated annual financial statements for the year ended 31 December 2015, we have read the directors' report for the purpose of identifying whether there are material inconsistencies between that report and the audited consolidated annual financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited consolidated annual financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.

Nexia SAB&T
Registered Auditors

Per: K Rama
10 November 2016

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Consolidated Annual Financial Statements for the year ended 31 December 2015

Directors' Report

The directors have pleasure in submitting their report on the consolidated annual financial statements of The South African Medical Association (NPC) and its subsidiaries and the group for the year ended 31 December 2015.

1. Nature of business

The group is engaged as an association not for gain representing medical professionals and operates in South Africa.

There have been no material changes to the nature of the group's business from the prior year.

2. Review of financial results and activities

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated annual financial statements.

3. Directorate

The directors in office at the date of this report are as follows:

Directors

Dr. MJ Grootboom (Chairperson)
Dr. MW Sonderup (Vice-Chairperson)
Dr. MR Abbas
Dr. ZO Brey
Dr. PC Ramathuba
Dr. G Reubenson
Dr. MM Stoltz
Prof. A Dhai
Dr. S Sham
Dr. TE Maleka
Dr. M Poee
Dr. S Maweya
Dr. Y Baldeo
Dr. SNE Mazaza
Dr. LJ Mphatswe

Changes

Resigned 31 May 2015
Resigned 31 May 2015
Resigned 31 May 2015

Resigned 31 October 2015

4. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the group had an interest and which significantly affected the business of the group.

5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the group or in the policy regarding their use.

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Directors' Report

6. Interests in subsidiaries

The company has the following subsidiaries:

A 90% interest in the Foundation for Professional Development Proprietary Limited, which is a private higher educational institution which fully engages in all three areas of higher educational scholarships namely: teaching and learning, community engagement and research.

An effective 90% interest in the Health Science Academy Proprietary Limited, a 100% subsidiary of the Foundation for Professional Development Proprietary Limited, which co-ordinates courses in the Pharmaceutical Industry.

An effective 90% interest in the Foundation for Professional Development Properties Proprietary Limited, a 100% subsidiary of the Foundation for Professional Development Proprietary Limited, which is involved in real estate activities.

An effective 46% interest in the African Health Placements (Pty) Ltd, a 51% subsidiary of the Foundation for Professional Development Proprietary Limited.

A 100% interest in Health and Medical Publishing Group Proprietary Limited, which publishes medical journals.

A 100% interest in Ujambi Medical Enterprises Proprietary Limited, which engages in transactions impacting on the medical profession and healthcare environment.

A 100% interest in SAMA Cape Property Holdings Proprietary Limited, which is involved in real estate and investment activities.

The company operates through a number of branches, of which the results have been incorporated in a separate set of financial statements.

- | | |
|-------------------------|--------------------------|
| - Border Coastal | - KwaZulu Natal Midlands |
| - Cape Western | - Northern KwaZulu Natal |
| - Eastern Highveld | - Lowveld |
| - Eastern Province | - North West |
| - Free State | - Outeniqua |
| - Goldfields | - Limpopo |
| - Gauteng South | - Transkei |
| - Gauteng North | - Tygerberg Boland |
| - Griqualand West | - Vaal Rivier |
| - KwaZulu Natal Coastal | - West Rand |

Details of material interests in subsidiary companies are presented in the consolidated consolidated annual financial statements in Notes 7 and 8.

There were no significant acquisitions or divestitures during the year ended 31 December 2015.

7. Events after the reporting period

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

8. Secretary

The company secretary is Advocate Yolande Lemmer.

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Directors' Report

9. Sub-ordination of loans to subsidiaries

The South African Medical Association provided intercompany loan subordination agreements and letters of support to some of their subsidiaries in order to ensure the going concern of those companies:

- A subordination agreement was issued in respect of the loan to the value of R 4 739 508 owing by the Health and Medical Publishing Group Proprietary Limited.
- A letter of support was issued in favour of the Ujambi Medical Enterprises Group Proprietary Limited, insofar as its liabilities exceed its assets.

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Statement of Financial Position as at 31 December 2015

		Group		Company	
Figures in Rand	Note(s)	2015	2014	2015	2014
Assets					
Non-Current Assets					
Property, plant and equipment	4	11,862,744	11,015,101	7,488,377	7,718,412
Investment property	3	33,806,035	33,872,883	-	-
Goodwill	5	890,590	476,200	-	-
Intangible assets	6	485,619	261,004	313,534	19,285
Investments in subsidiaries	7	-	-	2,003,100	2,003,100
Investments in associates	8	9,998,673	7,036,203	-	-
Loans to group companies	9	-	-	4,861,163	103,966
Other financial assets	11	116,046,811	114,887,774	97,175,488	94,997,736
Deferred tax	13	5,642,996	2,394,336	-	-
SAMA Benevolent Fund	14	30,075,991	28,546,660	1,756	-
		208,809,459	198,490,161	111,843,418	104,842,499
Current Assets					
Inventories	15	528,399	-	-	-
Loans to related parties	10	2,443,724	922,930	-	-
Trade and other receivables	16	110,097,928	51,778,965	2,936,789	1,563,133
Current tax receivable		-	5,544,243	-	-
Cash and cash equivalents	17	81,474,080	66,390,908	32,608,948	23,238,787
		194,544,131	124,637,046	35,545,737	24,801,920
Total Assets		403,353,590	323,127,207	147,389,155	129,644,419
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Reserves		80,159,921	69,440,482	49,108,021	40,210,634
Retained income		169,515,056	147,374,968	89,562,601	82,682,627
		249,674,977	216,815,450	138,670,622	122,893,261
Non-controlling interest		10,645,514	6,254,086	-	-
		260,320,491	223,069,536	138,670,622	122,893,261
Liabilities					
Non-Current Liabilities					
Loans from group companies	9	-	-	909,739	823,581
Other financial liabilities	18	10,780,350	15,619,956	-	-
		10,780,350	15,619,956	909,739	823,581
Current Liabilities					
Trade and other payables	20	104,066,236	80,818,938	7,805,951	5,927,577
Other financial liabilities	18	5,844,702	3,618,777	-	-
Current tax payable		3,623,002	-	-	-
Provisions	19	18,715,966	-	-	-
Bank overdraft	17	2,843	-	2,843	-
		132,252,749	84,437,715	7,808,794	5,927,577
Total Liabilities		143,033,099	100,057,671	8,718,533	6,751,158
Total Equity and Liabilities		403,353,590	323,127,207	147,389,155	129,644,419

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	Group		Company	
		2015	2014	2015	2014
Revenue	22	544,568,541	502,404,901	54,730,043	49,773,870
Cost of sales		(13,928,641)	(11,828,768)	-	-
Gross profit		530,639,900	490,576,133	54,730,043	49,773,870
Other income	23	153,724,775	21,376,255	6,340,977	3,476,521
Operating expenses		(655,031,089)	(493,073,530)	(57,623,298)	(52,616,364)
Operating profit (loss)	24	29,333,586	18,878,858	3,447,722	634,027
Investment revenue	25	6,124,385	11,087,121	3,435,959	6,036,788
Income/(loss) from equity accounted investments		(591,953)	449,885	-	-
Finance costs	26	(2,781,652)	(1,586,825)	(56)	(4,386)
Profit (loss) before taxation		32,084,366	28,829,039	6,883,625	6,666,429
Taxation	27	(6,235,545)	(6,291,416)	(3,651)	-
Profit (loss) for the year		25,848,821	22,537,623	6,879,974	6,666,429
Total comprehensive income (loss) for the year		25,848,821	22,537,623	6,879,974	6,666,429
Profit (loss) attributable to:					
Owners of the parent		22,140,088	21,224,831	6,879,974	6,666,429
Non-controlling interest		3,708,733	1,312,792	-	-
		25,848,821	22,537,623	6,879,974	6,666,429

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Statement of Changes in Equity

	Special purpose & Scholarship fund	Fair value adjustment assets- available-for- sale reserve	SAMA Benevolent Fund reserve	Non distributable reserves	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Rand									
Group									
Balance at 01 January 2014	1,689,117	33,762,113	27,266,917	1,651,788	64,369,935	129,150,137	193,520,072	5,158,630	198,678,702
Profit for the year	-	-	-	-	-	21,224,831	21,224,831	1,312,792	22,537,623
Other comprehensive income	(142,369)	3,249,985	1,962,931	-	5,070,547	-	5,070,547	-	5,070,547
Total comprehensive income for the year	(142,369)	3,249,985	1,962,931	-	5,070,547	21,224,831	26,295,378	1,312,792	27,608,170
Subsidiary acquired	-	-	-	-	-	-	-	(217,336)	(217,336)
Dividends	-	-	-	-	-	(3,000,000)	(3,000,000)	-	(3,000,000)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(3,000,000)	(3,000,000)	(217,336)	(3,217,336)
Balance at 01 January 2015	1,546,748	37,012,098	29,229,848	1,651,788	69,440,482	147,374,968	216,815,450	6,254,086	223,069,536
Profit for the year	-	-	-	-	-	22,140,088	22,140,088	3,708,733	25,848,821
Other comprehensive income	(135,199)	9,051,686	1,822,052	(19,100)	10,719,439	-	10,719,439	-	10,719,439
Total comprehensive income for the year	(135,199)	9,051,686	1,822,052	(19,100)	10,719,439	22,140,088	32,859,527	3,708,733	36,568,260
Subsidiary acquired	-	-	-	-	-	-	-	682,695	682,695
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	-	-	682,695	682,695
Balance at 31 December 2015	1,411,549	46,063,784	31,051,900	1,632,688	80,159,921	169,515,056	249,674,977	10,645,514	260,320,491

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Statement of Changes in Equity

	Share capital	Special purpose & Scholarship fund	Fair value adjustment assets-available-for-sale reserve	SAMA Benevolent Fund reserve	Non distributable reserves	Total reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Figures in Rand										
Company										
Balance at 01 January 2014	1,689,117	33,762,113	-	1,651,788	37,103,018	76,016,198	113,119,216	-	113,119,216	
Profit for the year	-	-	-	-	-	6,666,429	6,666,429	-	6,666,429	
Other comprehensive income	(142,369)	3,249,985	-	-	3,107,616	-	3,107,616	-	3,107,616	
Total comprehensive income for the year	(142,369)	3,249,985	-	-	3,107,616	6,666,429	9,774,045	-	9,774,045	
Balance at 01 January 2015	1,546,748	37,012,098	-	1,651,788	40,210,634	82,682,627	122,893,261	-	122,893,261	
Profit for the year	-	-	-	-	-	6,879,974	6,879,974	-	6,879,974	
Other comprehensive income	(135,199)	9,051,686	-	(19,100)	8,897,387	-	8,897,387	-	8,897,387	
Total comprehensive income for the year	(135,199)	9,051,686	-	(19,100)	8,897,387	6,879,974	15,777,361	-	15,777,361	
Balance at 31 December 2015	1,411,549	46,063,784	-	1,632,688	49,108,021	89,562,601	138,670,622	-	138,670,622	

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Statement of Cash Flows

Figures in Rand	Note(s)	Group		Company	
		2015	2014	2015	2014
Cash flows from operating activities					
Cash generated from operations	29	26,462,854	37,523,730	13,631,465	961,154
Interest income		5,335,567	7,364,555	2,647,141	2,314,222
Dividends received		788,818	3,722,566	788,818	3,722,566
Finance costs		(2,781,652)	(1,586,825)	(56)	(4,386)
Tax paid		(3,193,793)	(10,393,748)	(3,651)	-
Net cash from operating activities		26,611,794	36,630,278	17,063,717	6,993,556
Cash flows from investing activities					
Purchase of property, plant and equipment	4	(4,249,299)	(2,118,632)	(483,502)	(605,774)
Net proceeds on sale of property, plant and equipment	4	298,020	34,689	1,600	5,513
Purchase of investment property	3	(16,754)	(9,499,033)	-	-
Purchase of other intangible assets	6	(385,666)	-	(363,950)	-
Sale of other intangible assets	6	34,940	-	-	-
Movement in loans to/ from group companies		(389,863)	(15,019)	(4,671,039)	662,259
Movement in financial assets		(1,159,037)	(18,896,993)	(2,177,752)	(975,750)
Increase in Sama benevolent fund asset		(1,529,331)	(2,065,875)	(1,756)	-
Net cash from investing activities		(7,396,990)	(32,560,863)	(7,696,399)	(913,752)
Cash flows from financing activities					
Repayment of other financial liabilities		(2,613,681)	8,057,719	-	-
Repayment of shareholders loan		(1,520,794)	-	-	-
Dividends paid		-	(3,000,000)	-	-
Net cash from financing activities		(4,134,475)	5,057,719	-	-
Total cash movement for the year		15,080,329	9,127,134	9,367,318	6,079,804
Cash at the beginning of the year		66,390,908	57,263,774	23,238,787	17,158,983
Total cash at end of the year	17	81,471,237	66,390,908	32,606,105	23,238,787

The South African Medical Association (NPC) and its subsidiaries

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Consolidated Annual Financial Statements for the year ended 31 December 2015

Accounting Policies

1. Presentation of consolidated annual financial statements

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act 71 of 2008. The consolidated 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 Consolidation

Basis of consolidation

The consolidated consolidated annual financial statements incorporate the consolidated annual financial statements of the group and all investees, which are controlled by the group.

The group has control of an investee when it has power over the investee; it is exposed to or has rights to variable returns from involvements with the investee; and it has the ability to use its power over the investee to affect the amount of the investor's returns.

The results of subsidiaries are included in the consolidated consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions which result in changes in ownership levels, where the group has control of the subsidiary both before and after the transaction are regarded as equity transaction and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

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Accounting Policies

1.1 Consolidation (continued)

Business combinations

The group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interests arising from a business combination, which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation, are measured either at the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS's.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

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Accounting Policies

1.1 Consolidation (continued)

Investment in associates

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post acquisition changes in the group's share of net assets of the associate, less any impairment losses.

Losses in an associate in excess of the group's interest in that associate are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein.

When the group reduces its level of significant influence or loses significant influence, the group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the consolidated annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated annual financial statements. Significant judgements include:

Trade receivables and Loans and receivables

The group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Available-for-sale financial assets

The group follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

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1.2 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell.

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in Note 19 - Provisions.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

1.3 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less depreciation less any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property - land	Indefinite
Property - buildings	50 years

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1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire 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.. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

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

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5.5 years
Office equipment	Straight line	10 years
Computer equipment	Straight line	3 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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Accounting Policies

1.5 Intangible assets (continued)

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3 years
Course development	3 years

1.6 Investments in subsidiaries

Company consolidated annual financial statements

In the company's separate consolidated annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.7 Investments in associates

Company consolidated annual financial statements

An investment in an associate is carried at cost less any accumulated impairment.

1.8 Financial instruments

Classification

The group classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Available-for-sale financial assets
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

A financial asset classified as available-for-sale that would have met the definition of loans and receivables may be reclassified to loans and receivables if the entity has the intention and ability to hold the asset for the foreseeable future or until maturity.

Initial recognition and measurement

Financial instruments are recognised initially when the group becomes a party to the contractual provisions of the instruments.

The group 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 instruments are measured initially at fair value.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

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Accounting Policies

1.8 Financial instruments (continued)

Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividends received on available-for-sale equity instruments are recognised in profit or loss as part of other income when the group's right to receive payment is established.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each reporting date the group assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

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Accounting Policies

1.8 Financial instruments (continued)

Financial instruments designated as available-for-sale

All purchases and sales of investments are recognised on the trade date, which is the date that the group commits to purchase or sell the asset. Cost of purchase includes transaction costs. Available-for-sale investments are subsequently carried at fair value, whilst loans and receivables are carried at amortised cost using the effective yield method.

Unrealised gains and losses arising from changes in the fair value of the available-for-sale investments are included in the available-for-sale fair value reserve and are not taken to the income statement. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as net realised gains or losses on financial assets.

The fair values of quoted investments are based on current bid prices.

Loans to (from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.9 Income tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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1.9 Income tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which:
 - is not a business combination; and
 - at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, except to the extent that both of the following conditions are satisfied:

- the parent, investor or venturer is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent that it is probable that:

- the temporary difference will reverse in the foreseeable future; and
- taxable profit will be available against which the temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Income tax expense

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Management periodically evaluates positions taken in tax returns with respect to situations in which generate taxable.

1.10 Leases

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

Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

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1.10 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.11 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

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.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

1.12 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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1.13 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.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. The group has no further payment obligations once the contributions have been paid.

1.14 Provisions and contingencies

Provisions are recognised when:

- the group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

1.15 Revenue

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

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group 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 group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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Accounting Policies

1.15 Revenue (continued)

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

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.

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

1.16 Borrowing costs

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.17 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in "intangible assets". Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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Figures in Rand	2015	2014	2015	2014

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IAS 24: Related Party Disclosures: Annual improvements project	01 July 2014	The impact of the amendment is not material.
• Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project	01 July 2014	The impact of the amendment is not material.
• Amendment to IAS 40: Investment Property: Annual improvements project	01 July 2014	The impact of the amendments is not material.
• Amendment to IAS 19: Defined Benefit Plans: Employee Contributions	01 July 2014	The impact of the amendment is not material.
• Amendment to IFRS 3: Business Combinations: Annual improvements project	01 July 2014	The impact of the amendment is not material.
• Amendment to IFRS 3: Business Combinations: Annual improvements project	01 July 2014	The impact of the interpretation is not material.
• Amendment to IFRS 13: Fair Value Measurement: Annual improvements project	01 July 2014	The impact of the amendment is not material.
• Amendment to IAS 38: Intangible Assets: Annual improvements project	01 July 2014	The impact of the amendment is not material.

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2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 January 2016 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 9 Financial Instruments	01 January 2018	Unlikely there will be a material impact
• IFRS 15 Revenue from Contracts with Customers	01 January 2017	Unlikely there will be a material impact
• Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	01 January 2016	Unlikely there will be a material impact
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01 January 2016	Unlikely there will be a material impact
• Amendment to IAS 27: Equity Method in Separate Financial Statements	01 January 2016	Unlikely there will be a material impact
• Amendments to IFRS 10, 12 and IAS 28: Investment Entities. Applying the consolidation exemption	01 January 2016	Unlikely there will be a material impact
• Amendment to IFRS 7: Financial Instruments: Disclosures: Annual Improvements project	01 January 2016	Unlikely there will be a material impact
• Amendment to IAS 19: Employee Benefits: Annual Improvements project	01 January 2016	Unlikely there will be a material impact
• Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements	01 January 2016	Unlikely there will be a material impact

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3. Investment property

Group	2015			2014		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	38,976,385	(5,170,350)	33,806,035	38,959,631	(5,086,748)	33,872,883

Reconciliation of investment property - Group - 2015

	Opening balance	Additions	Depreciation	Total
Investment property	33,872,883	16,754	(83,602)	33,806,035

Reconciliation of investment property - Group - 2014

	Opening balance	Additions	Depreciation	Total
Investment property	25,689,571	9,499,033	(1,315,721)	33,872,883

Pledged as security

The following assets have been encumbered as security for long-term borrowings. Refer to Note 17:

Land and buildings	33,806,035	33,872,883	-	-
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Details of property

Unit 10, Sectional Scheme 495, Lonsdale Building, Cape Town,
Registration Division, Western Cape.

Unit 1,2,5,6,7 and 8, Struland Office Park, Sectional Scheme 1223/2008,
Die Wilgers Extention 69, Registration Division, JR, Gauteng.

A register containing the information required by Regulation 25(3) of the Companies Regulations, is available for inspection at the registered office of the company.

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4. Property, plant and equipment

Group	2015			2014		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	340,000	-	340,000	340,000	-	340,000
Buildings	7,725,412	(2,222,592)	5,502,820	7,725,412	(2,066,387)	5,659,025
Furniture and fixtures	3,775,902	(2,724,183)	1,051,719	3,350,983	(2,489,456)	861,527
Motor vehicles	1,602,647	(398,238)	1,204,409	376,479	(173,737)	202,742
Office equipment	2,259,277	(1,613,511)	645,766	2,186,174	(1,483,901)	702,273
Computer equipment	9,228,143	(6,110,113)	3,118,030	8,385,515	(5,135,981)	3,249,534
Total	24,931,381	(13,068,637)	11,862,744	22,364,563	(11,349,462)	11,015,101

Company	2015			2014		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	340,000	-	340,000	340,000	-	340,000
Buildings	7,725,412	(2,222,592)	5,502,820	7,725,412	(2,066,387)	5,659,025
Furniture and fixtures	2,268,406	(1,827,536)	440,870	2,120,746	(1,751,616)	369,130
Motor vehicles	163,847	(103,254)	60,593	193,793	(103,707)	90,086
Office equipment	1,227,716	(744,218)	483,498	1,130,727	(670,919)	459,808
Computer equipment	2,871,752	(2,211,156)	660,596	2,685,371	(1,885,008)	800,363
Total	14,597,133	(7,108,756)	7,488,377	14,196,049	(6,477,637)	7,718,412

Reconciliation of property, plant and equipment - Group - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Land	340,000	-	-	-	340,000
Buildings	5,659,025	-	-	(156,205)	5,502,820
Furniture and fixtures	861,527	425,268	-	(235,076)	1,051,719
Motor vehicles	202,742	1,256,621	-	(254,954)	1,204,409
Office equipment	702,273	85,636	-	(142,143)	645,766
Computer equipment	3,249,534	2,481,774	(298,020)	(2,315,258)	3,118,030
	11,015,101	4,249,299	(298,020)	(3,103,636)	11,862,744

Reconciliation of property, plant and equipment - Group - 2014

	Opening balance	Additions	Disposals	Depreciation	Total
Land	340,000	-	-	-	340,000
Buildings	5,815,231	-	-	(156,206)	5,659,025
Furniture and fixtures	596,266	495,044	(15,142)	(214,641)	861,527
Motor vehicles	268,772	-	-	(66,030)	202,742
Office equipment	709,026	95,232	-	(101,985)	702,273
Computer equipment	3,148,654	1,528,356	(37,422)	(1,390,054)	3,249,534
	10,877,949	2,118,632	(52,564)	(1,928,916)	11,015,101

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company - 2015

	Opening balance	Additions	Disposals	Depreciation	Total
Land	340,000	-	-	-	340,000
Buildings	5,659,025	-	-	(156,205)	5,502,820
Furniture and fixtures	369,130	148,008	-	(76,268)	440,870
Motor vehicles	90,086	507	-	(30,000)	60,593
Office equipment	459,808	96,134	-	(72,444)	483,498
Computer equipment	800,363	238,853	(1,600)	(377,020)	660,596
	7,718,412	483,502	(1,600)	(711,937)	7,488,377

Reconciliation of property, plant and equipment - Company - 2014

	Opening balance	Additions	Depreciation	Total
Land	340,000	-	-	340,000
Buildings	5,815,231	-	(156,206)	5,659,025
Furniture and fixtures	268,905	179,146	(78,921)	369,130
Motor vehicles	119,579	-	(29,493)	90,086
Office equipment	478,512	31,820	(50,524)	459,808
IT equipment	769,301	394,808	(363,746)	800,363
	7,791,528	605,774	(678,890)	7,718,412

Details of properties

Erf 688 Portion 6 with buildings thereon, situated at Erasmuskloof, Pretoria
Registration Division, JR, Gauteng.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company and its respective subsidiaries.

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Figures in Rand	2015	2014	2015	2014

5. Goodwill

Group	2015			2014		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	890,590	-	890,590	476,200	-	476,200

Reconciliation of goodwill - Group - 2015

	Opening balance	Additions through business combinations	Total
Goodwill	476,200	414,390	890,590

Reconciliation of goodwill - Group - 2014

	Opening balance	Additions through business combinations	Total
Goodwill	250,046	226,154	476,200

6. Intangible assets

Group	2015			2014		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	3,298,324	(2,965,788)	332,536	2,912,658	(2,890,884)	21,774
Course development	682,303	(529,220)	153,083	717,423	(478,193)	239,230
Total	3,980,627	(3,495,008)	485,619	3,630,081	(3,369,077)	261,004

Company	2015			2014		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	2,679,951	(2,366,417)	313,534	2,316,001	(2,296,716)	19,285

Reconciliation of intangible assets - Group - 2015

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	21,774	385,666	-	(74,904)	332,536
Course development	239,230	-	(34,940)	(51,207)	153,083
	261,004	385,666	(34,940)	(126,111)	485,619

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

6. Intangible assets (continued)

Reconciliation of intangible assets - Group - 2014

	Opening balance	Amortisation	Impairment loss	Total
Computer software	89,281	(67,507)	-	21,774
Course development	135,521	212,112	(108,403)	239,230
	224,802	144,605	(108,403)	261,004

Reconciliation of intangible assets - Company - 2015

	Opening balance	Additions	Amortisation	Total
Computer software	19,285	363,950	(69,701)	313,534

Reconciliation of intangible assets - Company - 2014

	Opening balance	Amortisation	Total
Computer software	59,409	(40,124)	19,285

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7. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the company, either directly or indirectly through subsidiaries.

Group

Name of company	Held by	% holding 2015	% holding 2014
SAMA Cape Property Holdings (Pty) Ltd	SAMA	100.00 %	100.00 %
Ujambi Medical Enterprises (Pty) Ltd	SAMA	100.00 %	100.00 %
SAMA Benevolent Fund	SAMA	100.00 %	100.00 %
Foundation for Professional Development (Pty) Ltd	SAMA	90.00 %	90.00 %
FPD Property (Pty) Ltd	FPD	100.00 %	100.00 %
Health Science Academy (Pty) Ltd	FPD	100.00 %	100.00 %
Health and Medical Publishing Group (Pty) Ltd	SAMA	100.00 %	100.00 %
African Health Placements (Pty) Ltd	FPD	51.00 %	51.00 %
Brighter Futures Tuition (Pty) Ltd	FPD	50.00 %	- %

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

7. Interests in subsidiaries including consolidated structured entities (continued)

Company

Name of company	Held by	% holding 2015	% holding 2014	Carrying amount 2015	Carrying amount 2014
Health and Medical Publishing Group (Pty) Ltd		100.00 %	100.00 %	1,000	1,000
Foundation for Professional Development (Pty) Ltd		90.00 %	90.00 %	2,001,000	2,001,000
Ujambi Medical Enterprises (Pty) Ltd		100.00 %	100.00 %	100	100
SAMA Cape Property Holdings (Pty) Ltd		100.00 %	100.00 %	1,000	1,000
				2,003,100	2,003,100

The carrying amounts of subsidiaries are shown net of impairment losses.

8. Investments in associates

The following table lists all of the associates in the group:

Group

Name of company	Held by	% ownership interest 2015	% ownership interest 2014	Carrying amount 2015	Carrying amount 2014
Medical Practice Consulting (Pty) Ltd	FPD	50.00 %	50.00 %	8,670,168	7,036,203
Professional Provider Organisation Services (Pty) Ltd	FPD	40.00 %	- %	1,328,505	-
				9,998,673	7,036,203

9. Loans to (from) group companies

Subsidiaries

SAMA Benevolent Fund	-	-	(909,739)	(823,581)
Health and Medical Publishing Group (Pty) Ltd	-	-	4,739,508	12,464,733
Ujambi Medical Enterprises (Pty) Ltd	-	-	121,655	103,966
	-	-	3,951,424	11,745,118
Impairment of loans to subsidiaries	-	-	-	(12,464,733)
	-	-	3,951,424	(719,615)
Non-current assets	-	-	4,861,163	103,966
Non-current liabilities	-	-	(909,739)	(823,581)
	-	-	3,951,424	(719,615)

Fair value of loans to and from group companies

The fair value approximates the carrying value as the effect of discounting the loans is not considered to be material.

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	Group		Company	
Figures in Rand	2015	2014	2015	2014
10. Loans to related parties				
African Health Placements (Pty) Ltd	490	-	-	-
GluePlus Africa	167,485	211,296	-	-
MX Investment Holdings PTE LTD	2,166,680	-	-	-
Brighter Futures Tuition (Pty) Ltd	109,069	711,634	-	-
	2,443,724	922,930	-	-

11. Other financial assets

Available-for-sale

Listed investments	116,046,811	114,887,774	97,175,488	94,997,736
The SAMA group holds investments in funds managed by SASFIN, Allan Gray, Coronation, Investec, Faribairn and Momentum.				

Non-current assets

Available-for-sale	116,046,811	114,887,774	97,175,488	94,997,736
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Fair value information

Fair values are determined annually at financial position date.

The fair values of the financial assets were determined as follows:

- The fair values of listed or quoted investments are based on the quoted market price.
- The fair values on investments not listed or quotes are estimated using the discounted cash flow analysis.

Fair value hierarchy of financial assets at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 3 applies inputs which are not based on observable market data.

Level 1

Available for sale	116,046,811	114,887,774	97,175,488	94,997,736
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Fair values of loans and receivables

The fair value of loans and receivables approximates the carrying value of loans and receivables as the impact of discounting is not considered to be material.

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

12. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Group - 2015

	Loans and receivables	Available-for- sale	Total
Other financial assets	-	116,046,811	116,046,811
Trade and other receivables	109,467,829	-	109,467,829
Cash and cash equivalents	80,984,618	-	80,984,618
	190,452,447	116,046,811	306,499,258

Group - 2014

	Loans and receivables	Available-for- sale	Total
Other financial assets	-	114,887,774	114,887,774
Trade and other receivables	48,292,088	-	48,292,088
Cash and cash equivalents	66,321,002	-	66,321,002
	114,613,090	114,887,774	229,500,864

Company - 2015

	Loans and receivables	Available-for- sale	Total
Loans to group companies	4,861,163	-	4,861,163
Other financial assets	-	97,175,488	97,175,488
Trade and other receivables	1,729,562	-	1,729,562
Cash and cash equivalents	32,174,258	-	32,174,258
	38,764,983	97,175,488	135,940,471

Company - 2014

	Loans and receivables	Available-for- sale	Total
Loans to group companies	103,966	-	103,966
Other financial assets	-	94,997,736	94,997,736
Trade and other receivables	1,380,317	-	1,380,317
Cash and cash equivalents	23,199,423	-	23,199,423
	24,683,706	94,997,736	119,681,442

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	Group		Company	
Figures in Rand	2015	2014	2015	2014
13. Deferred tax				
Deferred tax liability				
Provisions	1,281,001	2,394,336	-	-
Deferred tax asset				
Tax losses available for set off against future taxable income	4,361,995	-	-	-
Deferred tax liability	1,281,001	2,394,336	-	-
Deferred tax asset	4,361,995	-	-	-
Total net deferred tax asset	5,642,996	2,394,336	-	-
Reconciliation of deferred tax asset / (liability)				
At beginning of year	2,394,336	3,940,341	-	-
Increases (decrease) in tax loss available for set off against future taxable income - gross of valuation allowance	4,361,995	-	-	-
(Decrease) / increase in provisions	(1,113,335)	(1,546,005)	-	-
	5,642,996	2,394,336	-	-

14. SAMA Benevolent Fund

The SAMA Benevolent Fund is a restricted reserve specifically created to assist members, ex-members and non-members of the Association and their dependents, as well as the dependents of deceased doctors.

A brief summary of the operating results and state of affairs of the fund for the year ending 31 December 2015 are set out below and do not in our opinion require any further comment. Please note that the intercompany loans with SAMA are eliminated on consolidation.

Assets

Investments at fair value	28,811,052	26,112,999
Cash and cash equivalents	1,263,183	2,433,661
Trade and other receivables	113,081	100,250
	30,187,316	28,646,910

Equity and liabilities

Retained earnings	14,340,408	13,290,674
Other reserves	16,756,647	16,038,967
Trade payables	-	140,193
	31,097,055	29,469,834

Net surplus / (loss)

Income	1,967,467	1,672,702
Other income	-	1,419,004
Investment revenue	901,052	786,226
Payment to beneficiaries	(1,519,165)	(1,456,350)
General expenses	(299,620)	(192,724)
	1,049,734	2,228,858

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	Group		Company	
Figures in Rand	2015	2014	2015	2014
15. Inventories				
Finished goods - textbooks	528,399	-	-	-
16. Trade and other receivables				
Trade receivables	92,012,448	29,114,202	1,857,465	865,291
Provision for bad debts	(1,156,255)	(1,403,571)	(336,088)	(117,670)
Prepayments	401,330	219,782	265,410	182,816
Deposits	113,347	-	113,347	-
VAT	123,016	3,282,114	-	-
Sundry debtors	18,502,564	20,566,438	208,182	632,696
Other receivable	101,478	-	828,473	-
	110,097,928	51,778,965	2,936,789	1,563,133

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 December 2015, R 19,769,519 (2014: R 6,696,673) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

Up to 3 months	593,293	266,799	78,102	-
3 to 6 months	19,176,226	6,429,874	356,963	-

Trade and other receivables impaired

As of 31 December 2015, trade and other receivables of R 1,156,255 (2014: R 1,403,571) were impaired and provided for.

Over 6 months	1,156,255	1,403,571	336,088	117,670
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17. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	84,093	69,906	29,321	39,364
Bank balances	46,491,696	55,663,938	7,743,605	12,977,430
Short-term deposits	34,898,291	10,657,064	24,836,022	10,221,993
Bank overdraft	(2,843)	-	(2,843)	-
	81,471,237	66,390,908	32,606,105	23,238,787
Current assets	81,474,080	66,390,908	32,608,948	23,238,787
Current liabilities	(2,843)	-	(2,843)	-
	81,471,237	66,390,908	32,606,105	23,238,787

Overdraft facilities for The South African Medical Association are as follows:

Nedbank shared facility of R 700 000.

Standard Bank authorised overdrafts of R 1 700 000 for the general accounts of The South African Medical Association, as well as R 20 000 for the Benevolent Fund account.

Standard Bank also provided unsecured guarantees of R 120 000.

Foundation for Professional Development (Pty) Ltd - Limited surety is held by Nedbank for FPD Property (Pty) Ltd with cession of claims to the value of R19 788 000 (2014: R 19 788 000) .

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

17. Cash and cash equivalents (continued)

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates. None of the financial institutions with which bank balances are held defaulted in prior periods and as a result a credit rating of high are ascribed to the financial institutions. The group's maximum exposure to credit risk as a result of the bank balances held is limited to the carrying value of these balances as detailed above.

18. Other financial liabilities

Held at amortised cost

Mortgage bond
FPD Property's bond to the value of R 15,114,714 (2014: R 17,561,670) is secured by a first covering mortgage bond of R 22,920,000 (2014: R 22,920,000). The mortgage loan bears interest at prime less 1% and is repayable over 120 monthly instalments of R 324,661 (2014: R186,359).

16,625,052	19,238,733	-	-
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SAMA Cape Property Holding's bond to the value of R 1,510,338 (2014: R 1,677,063) is secured by Unit 10 of the Lonsdale Building in Gardiner Way, Pinelands, Cape Town. The carrying value of the property as at 31 December 2015 was R 2,504,659 (2014: R2,504,659). This loan bears interest at prime less 1.65% and is repayable in monthly instalments of R 24,564 (with the last repayment scheduled for August 2022).

Non-current liabilities

At amortised cost	10,780,350	15,619,956	-	-
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Current liabilities

At amortised cost	5,844,702	3,618,777	-	-
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16,625,052	19,238,733	-	-
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19. Provisions

Reconciliation of provisions - Group - 2015

	Opening balance	Additions	Total
Provision for bonuses	-	18,715,966	18,715,966

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	Group		Company	
Figures in Rand	2015	2014	2015	2014
20. Trade and other payables				
Trade payables	27,461,387	14,942,559	552,314	2,170,566
Amounts received in advance	52,728,294	35,887,235	1,796,734	162,352
VAT	3,459,132	251,703	92,634	69,714
Other payables	2,503,018	1,668,146	1,257,101	434,545
Sundry expenses	787,001	-	97,648	-
Provision for leave pay	1,797,969	-	1,708,821	-
Accrued expenses	15,062,835	26,997,630	2,161,328	3,069,600
Provision for audit fee	82,960	-	-	-
Deposits received	58,022	1,071,665	17,308	20,800
Sundry creditors	125,618	-	122,063	-
	104,066,236	80,818,938	7,805,951	5,927,577

Fair value of trade and other payables

The fair value of the trade and other payables approximates the carrying value of the trade and other payables as the effect of the discounting of the trade and other payables is not considered to be material.

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

21. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

Group - 2015

	Financial liabilities at amortised cost	Total
Other financial liabilities	16,625,052	16,625,052
Trade and other payables	98,991,910	98,991,910
	115,616,962	115,616,962

Group - 2014

	Financial liabilities at amortised cost	Total
Other financial liabilities	19,238,733	19,238,733
Trade and other payables	80,567,234	80,567,234
	99,805,967	99,805,967

Company - 2015

	Financial liabilities at amortised cost	Total
Loans from group companies	909,739	909,739
Trade and other payables	7,682,717	7,682,717
	8,592,456	8,592,456

Company - 2014

	Financial liabilities at amortised cost	Total
Loans from group companies	823,581	823,581
Trade and other payables	5,857,863	5,857,863
	6,681,444	6,681,444

22. Revenue

Course fees	30,265,082	24,110,183	-	-
Registration and exhibition fees	21,995,688	32,638,874	-	-
Sponsorships and grants	437,577,728	395,881,974	-	-
Membership fees	51,669,566	47,218,057	51,669,566	47,218,057
Admin and management fees	3,060,477	2,555,813	3,060,477	2,555,813
	544,568,541	502,404,901	54,730,043	49,773,870

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	Group		Company	
Figures in Rand	2015	2014	2015	2014
23. Other income				
Profit and loss on sale of assets	-	607,429	-	607,429
Profit and loss on exchange differences	3,084	-	-	-
Fees earned	2,048,113	147,002	2,048,113	146,563
Commissions received	28,190	9,277,223	4,211	-
Rental income	5,670,530	464,057	371,917	-
Conference income	1,387,536	1,137,683	1,408,371	1,137,683
Sundry income	140,464,258	9,731,635	869,048	1,573,620
Profit on sale of shares	1,153,515	-	1,153,515	-
Other income	2,969,549	11,226	485,802	11,226
	153,724,775	21,376,255	6,340,977	3,476,521
24. Operating profit (loss)				
Operating profit (loss) for the year is stated after accounting for the following:				
Operating lease charges				
Premises				
• Contractual amounts	7,636,110	2,534,991	893,679	358,869
Equipment				
• Contractual amounts	280,267	293,434	106,532	128,140
Lease rentals on operating lease				
• Contractual amounts	694,577	-	-	-
	8,610,954	2,828,425	1,000,211	487,009
Loss/(profit) on sale of property, plant and equipment	-	(17,875)	-	5,513
Profit on sale of other financial assets	-	601,916	-	601,916
Amortisation on intangible assets	123,443	(30,963)	69,701	59,426
Depreciation on property, plant and equipment	3,103,636	1,928,916	711,937	678,890
Depreciation on investment property	66,848	1,315,721	-	-
Employee costs	354,099,948	226,515,552	28,549,312	26,193,219
25. Investment revenue				
Dividend revenue				
Other financial assets	792,576	3,722,566	792,576	3,722,566
Other financial assets - Local	(3,758)	-	(3,758)	-
	788,818	3,722,566	788,818	3,722,566
Interest revenue				
Other financial assets	2,255,480	1,954,594	2,255,480	1,954,594
Bank	3,080,087	5,409,961	391,661	359,628
	5,335,567	7,364,555	2,647,141	2,314,222
	6,124,385	11,087,121	3,435,959	6,036,788
26. Finance costs				
Non-current borrowings	2,216,391	1,375,972	-	-
Bank	562,278	196,158	56	4,386
Late payment of tax	2,983	14,695	-	-
	2,781,652	1,586,825	56	4,386

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Figures in Rand	2015	2014	2015	2014
27. Taxation				
Major components of the tax expense				
Current				
Local income tax - current period	9,390,082	6,233,295	-	-
Local income tax - recognised in current tax for prior periods	2,771	56,411	3,651	-
	9,392,853	6,289,706	3,651	-
Deferred				
Originating and reversing temporary differences	(3,157,308)	1,710	-	-
	6,235,545	6,291,416	3,651	-
28. Auditors' remuneration				
Fees	3,183,830	2,869,871	493,992	669,399
29. Cash generated from operations				
Profit before taxation	32,084,366	28,829,039	6,883,625	6,666,429
Adjustments for:				
Depreciation and amortisation	3,293,927	3,213,674	781,638	738,316
Net (loss) profit on disposal of property, plant and equipment	-	(584,041)	-	(607,429)
Income from equity accounted investments	591,953	(449,885)	-	-
Dividends received	(788,818)	(3,722,566)	(788,818)	(3,722,566)
Interest received - investment	(5,335,567)	(7,364,555)	(2,647,141)	(2,314,222)
Finance costs	2,781,652	1,586,825	56	4,386
Fair value adjustments	-	(11,226)	-	-
Movements in provisions	18,715,966	-	-	-
Movement in reserves	10,719,439	-	8,897,387	-
Changes in working capital:				
Inventories	(528,399)	-	-	-
Trade and other receivables	(58,318,963)	(2,825,839)	(1,373,656)	(519,795)
Trade and other payables	23,247,298	18,852,304	1,878,374	716,035
	26,462,854	37,523,730	13,631,465	961,154

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30. Related parties

Relationships

Subsidiaries

Refer to note 7

Related party balances

Loan accounts - Owing (to) by related parties

Health and Medical Publishing Group Proprietary Limited	-	-	4,739,508	12,464,733
Ujambi Medical Enterprises Proprietary Limited	-	-	121,654	103,966
SAMA Benevolent Fund	-	-	(909,739)	(822,924)

Related party transactions

Rent paid to (received from) related parties

SAMA Cape Property Holdings Proprietary Limited	-	-	260,225	464,057
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Administration fees paid to (received from) related parties

SAMA Benevolent Fund	-	-	120,000	125,044
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Other purchases from (sales to) related parties

Health and Medical Publishing Group Proprietary Limited	-	-	1,125,072	992,157
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31. Directors' emoluments

2015

	Emoluments	Committees fees	Total
Directors of SAMA	771,367	119,420	890,787
Directors of FPD	7,727,210	60,903	7,788,113
	8,498,577	180,323	8,678,900

2014

	Emoluments	Committees fees	Total
Directors of SAMA	941,146	133,696	1,074,842
Directors of FPD	7,465,154	60,300	7,525,454
	8,406,300	193,996	8,600,296

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32. Risk management

Capital risk management

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Liquidity risk

The group's risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments and credit facilities.

Group

At 31 December 2015

	Less than 1 year	Between 2 and 5 years
Other financial liabilities	5,844,702	10,780,350
Trade and other payables	98,991,910	-

At 31 December 2014

	Less than 1 year	Between 2 and 5 years
Other financial liabilities	3,618,777	15,619,956
Trade and other payables	80,567,234	-

Company

At 31 December 2015

	Less than 1 year
Trade and other payables	7,682,717

At 31 December 2014

	Less than 1 year
Trade and other payables	5,857,863

Interest rate risk

At 31 December 2015, if interest rates on Rand-denominated borrowings had been 0.1% higher/lower with all other variables held constant, post-tax profit for the year would have been R - (2014: R 192,387) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings; other components of equity would have been R - (2014: R -) lower/higher mainly as a result of a decrease/increase in the fair value of fixed rate financial assets classified as available-for-sale.

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	Group		Company	
Figures in Rand	2015	2014	2015	2014

32. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	Group - 2015	Group - 2014	Company - 2015	Company - 2014
Loans to group companies	-	-	4,861,163	103,966
Other financial assets	116,046,811	114,887,774	97,175,488	94,997,736
Trade and other receivables	109,467,829	48,292,088	1,729,562	1,380,317
Cash and cash equivalents	80,984,618	66,321,002	32,174,258	23,199,423