

National Veterinary Clinicians Group

**Annual Financial Statements
for the year ended 31 December 2022**

Independently Reviewed Financial Statements

in compliance with the Companies Act of South Africa

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

Index

	Page
General Information	2
Report of the Independent Reviewer	3 - 4
Directors' Responsibilities and Approval	5
Directors' Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 13
Notes to the Financial Statements	14 - 15
Supplementary information: Detailed Income Statement	16

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	The company Promotion of the interest of Veterinary Clinicians.
Directors	Dr Dave Miller Dr Jono Savadier Dr Tasho Makunike Dr Richard Smith
Registered Office	62 Herbert Baker Street Groenkloof Pretoria Gauteng 0181
Business Address	62 Herbert Baker Street Groenkloof Pretoria Gauteng 0181
Postal Address	P.O. Box 845 Ballito 4420
Bankers	First National Bank Limited
Professional Accountants	Abacus At Work Review Services 538 Lois Avenue Erasmuskloof Pretoria Gauteng 0181
Preparer	Abacus At Work Review Services 538 Lois Avenue Erasmuskloof Pretoria Gauteng 0181

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Date:

Our ref.:

Your ref.:

Report of the Independent Reviewer

To the Shareholder of National Veterinary Clinicians Group

We have reviewed the financial statements of National Veterinary Clinicians Group set out on pages 8 to 15, which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Directors' Responsibility for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of National Veterinary Clinicians Group as at 31 December 2022, 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 of South Africa.

Basis of Accounting

Without modifying our conclusion, we draw attention to note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the company's own accounting policies to satisfy the financial information needs of the company's shareholders. As a result, the financial statements may not be suitable for another purpose.

Other Reports Required by the Companies Act

The annual financial statements include the Directors' Report as required by the Companies Act of South Africa, and the supplementary information set out on page 16. The directors are responsible for this other information. Our conclusion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the financial statements, we have read the other information and, in doing so, considered whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we will report that fact. We have nothing to report in this regard.

Abacus At Work Review Services**18 September 2023**

Per: Deale, Johannes Jacobus**Partner****Professional Accountant****538 Lois Avenue
Erasmuskloof
Pretoria
Gauteng
0181**

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 set 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The independent reviewers are responsible for independently reviewing and reporting on the company's annual financial statements. The independent reviewers report is presented on pages 3 to 4.

The annual financial statements set out on pages 8 to 15, and the supplementary information set out on page 16 which have been prepared on the going concern basis, were approved by the directors and were signed on 18 September 2023 on their behalf by:

Dr Dave Miller

Dr Jono Savadier

Dr Tasho Makunike

Dr Richard Smith

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

Directors' Report

The directors present their report for the year ended 31 December 2022.

1. Review of activities

Main business and operations

The company Promotion of the interest of Veterinary Clinicians. There were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. 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.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

5. Dividend

No dividend was declared or paid to the shareholder during the year.

6. Directors

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

Dr Dave Miller

Dr Jono Savadier

Dr Tasho Makunike

Dr Richard Smith

7. Shareholder

There have been no changes in ownership during the current financial year.

The shareholder and its interest at the end of the year is:

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

Directors' Report

8. Independent Reviewers

Abacus At Work Review Services were the independent reviewers for the year under review.

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Statement of Financial Position

Figures in R

Notes

2022

2021

Assets

Non-current assets

Other loans and receivables	5	-	25,500
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Current assets

Trade and other receivables	4	90,580	52,100
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Cash and cash equivalents	6	1,369,720	1,382,095
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Total current assets		1,460,300	1,434,195
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Total assets		1,460,300	1,459,695
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Equity and liabilities

Equity

Retained income		1,336,199	1,301,358
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Liabilities

Current liabilities

Trade and other payables	7	124,101	158,337
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Total equity and liabilities		1,460,300	1,459,695
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National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Statement of Comprehensive Income

Figures in R

Note

2022

2021

Revenue	8	169,355	109,090
Administrative expenses		(126,762)	(119,331)
Other expenses		(50,924)	(27,502)
Loss from operating activities		(8,331)	(37,743)
Finance income		43,172	24,333
Profit / (loss) for the year		34,841	(13,410)

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Statement of Changes in Equity

Figures in R	Retained income
Balance at 1 January 2021	1,314,768
Changes in equity	
Loss for the year	(13,410)
Total comprehensive income for the year	(13,410)
Balance at 31 December 2021	1,301,358
Balance at 1 January 2022	1,301,358
Changes in equity	
Profit for the year	34,841
Total comprehensive income for the year	34,841
Balance at 31 December 2022	1,336,199

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Statement of Cash Flows

Figures in R

Note

2022

2021

Cash flows (used in) / from operations

Profit / (loss) for the year

34,841

(13,410)

Adjustments to reconcile profit / (loss)

Adjustments for finance income

(43,172)

(24,333)

Adjustments for increase in trade accounts receivable

(38,480)

(8,425)

Adjustments for (decrease) / increase in trade accounts payable

(34,236)

126,413

Adjustments for impairment losses and reversal of impairment losses recognised in profit or loss

-

2,715

Total adjustments to reconcile profit / (loss)

(115,888)

96,370

Net cash flows (used in) / from operations

(81,047)

82,960

Interest received

43,172

24,333

Net cash flows (used in) / from operating activities

(37,875)

107,293

Cash flows from / (used in) investing activities

Purchase of other financial assets

25,500

(25,500)

Cash flows from / (used in) investing activities

25,500

(25,500)

Net (decrease) / increase in cash and cash equivalents

(12,375)

81,793

Cash and cash equivalents at beginning of the year

1,382,095

1,300,302

Cash and cash equivalents at end of the year

6

1,369,720

1,382,095

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Accounting Policies

1. General information

National Veterinary Clinicians Group ('the company') Promotion of the interest of Veterinary Clinicians.

The company is incorporated as a private company and domiciled in South Africa. The address of its registered office is 62 Herbert Baker Street, Groenkloof, Pretoria, Gauteng, 0181.

2. Basis of preparation and summary of significant accounting policies

The financial statements of National Veterinary Clinicians Group have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Financial instruments

Trade and other receivables

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

2.2 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Revenue from the sale of goods is recognised when:

- significant risks and rewards of ownership of the goods have been transferred to the buyer;
- the entity 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 entity; 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 entity;
- 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.

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

The stage of completion of a transaction may be determined by a variety of methods, depending on the nature of the transaction:

- surveys of work performed;
- services performed to date as a percentage of total services to be performed;
- the proportion that costs incurred to date bear to the estimated total costs of the transaction. Only costs that reflect services performed to date are included in costs incurred to date. Only costs that reflect services performed or to be performed are included in the estimated total costs of the transaction.

Interest income is recognised using the effective interest method.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term and is included in 'other income'.

Dividend income is recognised when the company's right to receive payment has been established and is shown as 'finance income'.

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement.

3. Critical accounting estimates and judgements

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

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements

Figures in R

2022

2021

4. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	57,890	19,410
Deposits	32,690	32,690
	<u>90,580</u>	<u>52,100</u>

5. Other loans and receivables

Other loans and receivables comprise the following balances

Farlam, Kerri	-	25,500
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6. Cash and cash equivalents

Detail of cash and cash equivalent balances

Bank balances

FNB Gold Business account : 50920007800	123,102	58,649
FNB Money on Call account : 62058822290	957,176	1,045,118
FNB 32 Day Interest Plus account : 72092015404	136,321	130,500
FNB 32 Day Notice Deposit account : 74059636017	153,121	147,828
Total	<u>1,369,720</u>	<u>1,382,095</u>

7. Trade and other payables

Trade and other payables comprise:

	2022	2021		
Trade payables			124,101	158,337
Audit fee 2021	12,852	24,976		
Audit fee 2022	14,100	-		
Refund - Vetsfocus	-	10,825		
Income received in advance	17,121	7,201		
Vetlink - Website hosting and telephone	13,409	8,464		
Admin fees - Madaleen Schultheiss	51,600	102,300		
Pre-congress expenses	-	4,042		
Refund - Netflorist	529	529		
Refund - WSAVA Membership	14,490	-		
	<u>124,101</u>	<u>158,337</u>		

National Veterinary Clinicians Group

Financial Statements for the year ended 31 December 2022

Notes to the Financial Statements

Figures in R

2022

2021

8. Revenue

Revenue comprises:

Membership fees		109,714	109,090
NVCG Courses 2022		39,263	-
Reimbursement of expenses	18,628	18,628	-
- 2021 Refund from Vetfocus	7,385		
- 2021 Income received in advance	7,201		
- 2021 Pre-congress expenses	4,042		
SAVA Pre Congress Income		1,750	-
Total revenue		169,355	109,090

National Veterinary Clinicians Group

Annual Financial Statements for the year ended 31 December 2022

Detailed Income Statement

Figures in R

Note 2022 2021

Revenue

8

Membership fees	109,714	109,090
NVCG Courses 2022	39,263	-
Reimbursement of expenses	18,628	-
SAVA Pre Congress Income	1,750	-
	169,355	109,090

Administrative expenses

Accounting fees	(3,219)	(3,219)
Admin and selling expenses	(108,381)	(102,300)
Auditors remuneration - Fees	(14,100)	(12,852)
Bank charges	(1,062)	(960)
	(126,762)	(119,331)

Other expenses

Bad debts	-	(2,715)
Pre-congress expenses	-	(4,042)
Website	(4,945)	(8,464)
World Veterinary Congress / WSAVA	(45,979)	(12,281)
	(50,924)	(27,502)

Loss from operating activities

(8,331) **(37,743)**

Finance income

Interest received	43,172	24,333
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Profit / (loss) for the year

34,841 **(13,410)**