South African Hajj and Umrah Council
[Also known as SAHUC]
Financial Statements
for the year ended 31 March 2016

A2A Kopano Inc.
Chartered Accountants (S.A.)
Registered Auditors
Published 10 October 2016

General Information

Country of incorporation and domicile	South Africa
Type of Organisation	The Organisation is volunteer based and is a non-profit Organistion which is engaged in facilitating and ensuring compliance by South African Muslim pilgrims going for hajj in terms of the agreements entered into with the Saudi Arabian Ministry of Hajj
Board Members	Shaheen Ayub Essop (President) Mohamed Vaid (First Deputy President) Mohammad Groenewald (Second Deputy President) Hassen Faried Choonara (Secretary General) Ebrahim Simjee (Asst. Secretary General) Ebrahim Vawda (Treasurer) Asif Essop (Asst. Treasurer) Sedick Steenkamp Moosa Seedat Ismail Kholvadia Hasim Salie (Regional Chairperson - Western Cape) Adam Masheso (Regional Chairperson - KZN)
Postal address	PO Box 787616 Sandton 2146
Bankers	Habib Overseas Bank Limited First National Bank Limited SHB Bank Saudi Arabia
Auditor's	A2A Kopano Inc. Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the International Auditing Standards.
Preparer	The financial statements were internally compiled by: Asif Essop
Published	10 October 2016
Website	www.sahuchajjregistry.org.za
E Mail address	info@sahuchajjregistry.org.za

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The reports and statements set out below comprise the financial statements presented to the Board of SAHUC:

A2A KOPANO INCORPORATED
CHARTERED ACCOUNTANTS (S.A.)
& REGISTERED AUDITORS

021 551 1930
086 762 4316
Info.wc@a2akopano.co.za
Unit F4-F6
Century Square
Heron Crescent
Century City
7441
P.O. Box 532,
Century City, 7446

Independent Auditor's Report

To the Board of South African Hajj and Umrah Council

We have audited the financial statements of South African Hajj and Umrah Council, as set out on pages 8 to 16, which comprise the statement of financial position as at 31 March 2016, and the statement of 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.

Board of SAHUC's Responsibility for the Financial Statements

The Board of SAHUC is 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. For such internal control as the Board of SAHUC determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Hajj and Umrah Council as at 31 March 2016, 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.

A2A

IRBA. NO. 901944-0005 Co.Reg. No. 1998/014078/21

Independent Auditor's Report

Other matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 17 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

The organisation is not registered as a taxpayer in terms of section 30 of the Income Tax Act No. 58 of 1962. Had the organisation been registered the income tax effect would be RNil and have no effect on the retained income.

A2A Kopano

A2A Kopano Inc.
Yusuf Mohamed
Director
Registered Auditor

10 October 2016

Unit F4-F6
Century Square
Heron Crescent
Century City
7441

South African Hajj and Umrah Council

Trading as SAHUC
Financial Statements for the year ended 31 March 2016

Board of SAHUC's Responsibilities and Approval

The Board of SAHUC is required to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the board's responsibility to ensure that the financial statements fairly present the state of affairs of the Organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's are engaged to express an independent opinion on the financial statements.

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

The Board of SAHUC acknowledge that it is ultimately responsible for the system of internal financial control established by the organisation and places considerable importance on maintaining a strong control environment. To enable the Board of SAHUC 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The Board of SAHUC have reviewed the organisation's cash flow forecast for the year to 31 March 2017 and, in the light of this review and the current financial position, it is satisfied that the organisation has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the organisation's financial statements. The financial statements have been examined by the organisation's external auditor's and their report is presented on page 3.

The financial statements set out on pages 6 to 17, which have been prepared on the going concern basis, were approved by the board on 09 October 2016 and were signed on its behalf by:

Shaheen Ayub Essop (President)

Ebrahim Vawda (Treasurer)

Hassen Faried Choonara (Secretary General)

Board of SAHUC's Report

The Board of SAHUC has pleasure in submitting their report on the financial statements of South African Hajj and Umrah Council for the year ended 31 March 2016 and at 09 October 2016.

1. Nature of business

The Organisation is volunteer based and is a non-profit Organistion which is engaged in facilitating and ensuring compliance of South African Muslim pilgrims going for hajj in terms of the agreements entered into with the Saudi Arabian Ministry of Hajj.

To accredit pilgrims and provide medical and other services to pilgrims.

To manage and supervise the Hajj operators delivering services to South African Pilgrims.

The organisation operates principally in the Republic of South Africa and the Kingdom of Saudi Arabia.

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

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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 trust are set out in these financial statements.

3. Board of SAHUC

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

Board of SAHUC
Shaheen Ayub Essop (President)
Mohamed Vaid (First Deputy President)
Mohammad Groenewald (Second Deputy President)
Hassen Faried Choonara (Secretary General)
Ebrahim Simjee (Asst. Secretary General)
Ebrahim Vawda (Treasurer)
Asif Essop (Asst. Treasurer)
Sedick Steenkamp
Moosa Seedat
Ismail Kholvadia
Hasim Salie (Regional Chairperson - Western Cape)
Adam Masheso (Regional Chairperson - KZN)

Board of SAHUC's Report

Provincial Chairpersons and changes:

Thafier Najaar; Western Cape Chair in November 2015, resigned as chair of Western Cape on 26 February 2016.
Yusuf Bharoochie; Acting Chair from February until May 2016.
Hasim Salie; Elected Western Cape Chair in May 2016.
Yusuf Seedat; Gauteng Chair in November 2015, resigned as chair on 5 October 2016.
Bilal Vaid; Gauteng Acting Chairperson.
Adam Macheso; KZN Chair in November 2015.

Members from previous executive not re-elected onto board at 18 October 2015 AGM:

Abdullah Khan
Abdul Fattaag Carr
Goolam Kolia
Mustapha Murudker

4. Property, plant and equipment

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

5. Events after the reporting period

The Board of SAHUC is not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Going concern

The Board of SAHUC believe's that the Organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The Board of SAHUC has satisfied itself that the Organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Board of SAHUC is not aware of any new material changes that may adversely impact the Organisation. The Board of SAHUC is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Organisation.

7. Auditors

A2A Kopano Inc. continued in office as auditors for the organisation for 2016.

Statement of Financial Position as at 31 March 2016

	Notes	2016 R	2015 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	423,025	189,565
Current Assets			
Trade and other receivables	3	32,276	33,776
Cash and cash equivalents	4	5,603,152	3,432,062
		5,635,428	**3,465,838**
Total Assets		**6,058,453**	**3,655,403**
Equity and Liabilities			
Equity			
Accumulated surplus		4,616,530	3,654,025
Liabilities			
Current Liabilities			
Trade and other payables	5	1,441,923	1,378
Total Equity and Liabilities		**6,058,453**	**3,655,403**

Statement of Comprehensive Income

	Notes	2016 R	2015 R
Revenue	6	3,684,103	3,677,622
Gain on foreign exchange differences		111,041	131,917
Operating expenses		(2,942,059)	(2,550,073)
Operating surplus	7	**853,085**	**1,259,466**
Investment revenue	8	110,051	62,199
Finance costs		(631)	-
Surplus for the year		**962,505**	**1,321,665**

Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Balance at 01 April 2014	**2,332,360**	**2,332,360**
Surplus for the year	1,321,665	1,321,665
Balance at 01 April 2015	**3,654,025**	**3,654,025**
Surplus for the year	962,505	962,505
Balance at 31 March 2016	**4,616,530**	**4,616,530**

Statement of Cash Flows

	Notes	2016 R	2015 R
Cash flows from operating activities			
Cash generated from operations	10	2,474,431	1,373,548
Investment Income		110,051	62,199
Finance costs		(631)	-
Net cash from operating activities		**2,583,851**	**1,435,747**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(412,761)	(298,924)
Total cash movement for the year		**2,171,090**	**1,136,823**
Cash at the beginning of the year		3,432,062	2,295,239
Total cash at end of the year	4	**5,603,152**	**3,432,062**

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The 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 Property, plant and equipment

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

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

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

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial instruments at fair value

All other financial instruments, are measured at fair value through surplus and deficit.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Accounting Policies

1.3 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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

1.4 Revenue

Gross revenue comprises mainly of Registration fee and Hajj fees which are accounted for on the cash basis.

Profit share is recognised, in surplus or deficit, using the effective interest rate method.

1.5 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in the functional currency of the organisation, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period:
- foreign currency monetary items are translated using the closing rate.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

	2016 R	2015 R

2. Property, plant and equipment

	2016			2015		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	50,267	(32,636)	17,631	42,931	(29,893)	13,038
IT equipment	839,698	(443,379)	396,319	434,273	(269,845)	164,428
Office equipment	93,970	(84,895)	9,075	93,970	(81,871)	12,099
Total	**983,935**	**(560,910)**	**423,025**	**571,174**	**(381,609)**	**189,565**

Reconciliation of property, plant and equipment - 2016

	Opening balance	**Additions**	**Depreciation**	**Total**
Furniture and fixtures	13,038	7,336	(2,743)	17,631
IT equipment	164,428	405,425	(173,534)	396,319
Office equipment	12,099	-	(3,024)	9,075
	189,565	**412,761**	**(179,301)**	**423,025**

Reconciliation of property, plant and equipment - 2015

	Opening balance	**Additions**	**Depreciation**	**Total**
Furniture and fixtures	15,646	-	(2,608)	13,038
IT equipment	15,392	298,924	(149,888)	164,428
Office equipment	15,124	-	(3,025)	12,099
	46,162	**298,924**	**(155,521)**	**189,565**

3. Trade and other receivables

	2016	2015
Trade receivables	32,276	33,776

The organisation incurred legal expenses in seeking legal counsel with regard to the matter, Abrahams vs South African Hajj and Umrah Council. The Organisation was successful in defending this legal action brought against it by Abrahams. Counsel has indicated that legal expenses incurred to date will be recoverable from Abrahams. A warrant of execution has been issued.

4. Cash and cash equivalents

Cash and cash equivalents consist of:

	2016	2015
Bank balances	3,321,617	1,205,010
Short-term deposits	1,124,919	1,065,670
Other cash and cash equivalents	1,156,616	1,161,382
	5,603,152	**3,432,062**

An amount of R590 616 (147 000 Saudi Riyals) in bank balances has been placed as guarantee to the saudi Arabian Ministry of Hajj.

Notes to the Financial Statements

	2016 R	2015 R
5. Trade and other payables		
Deposits received - Hajj Operators	1,440,722	-
Accrued expenses	1,201	1,378
	1,441,923	**1,378**
6. Revenue		
Registration fees - Hajj Operators	130,000	116,000
Registration fees - Hujjaj	1,592,170	1,935,625
Hajj fees	1,961,933	1,625,997
	3,684,103	**3,677,622**

7. Operating surplus

Operating surplus for the year is stated after accounting for the following:

	2016 R	2015 R
Operating lease charges		
Premises		
• Contractual amounts	221,034	197,913
Deficit on exchange differences	(111,041)	(131,917)
Depreciation on property, plant and equipment	179,302	155,521
Employee costs	261,512	257,084
8. Investment revenue		
Investment revenue		
Investment Income - Bank	1,383	1,193
Islamic profit share	108,668	61,006
	110,051	**62,199**
9. Auditor's remuneration		
Fees	50,000	46,213
10. Cash generated from operations		
Surplus before taxation	962,505	1,321,665
Adjustments for:		
Depreciation and amortisation	179,302	155,521
Islamic profit share	(110,051)	(62,199)
Finance costs	631	-
Changes in working capital:		
Trade and other receivables	1,500	5,000
Trade and other payables	1,440,544	(46,439)
	2,474,431	**1,373,548**

Notes to the Financial Statements

	2016 R	2015 R

11. Mission expenses

	2016	2015
Accomodation	548,320	485,970
Subsistence	710,136	520,119
Travel	416,652	332,262
Other (Mainly Medical Disbursements)	180,907	166,461
	1,856,015	**1,504,812**

12. Offices

The following premises are occupied by SAHUC:

Cape Town Office
Wembley Centre
21 Belgravia Road
Athlone
Cape Town
Tel: 021 696 4433
Fax: 021 697 5317
Email: info@sahuchajjregistry.org.za

Johannesburg Office
Second Floor
South Section
81 Crown Road
Fordsburg
Johannesburg
Tel: 011 838 9786
Fax: 086 273 0328
Email: sahucgtn@telkomsa.net

Durban Office
The NMJ Islamic Centre
37/41 Mountain View Road
Roseglen
Durban
Tel: 031 207 3975
Fax: 086 535 9641
Email: sahuckzn@gmail.com

13. Provicial Chairpersons and changes

Thafier Najaar; Western Cape Chair in November 2015, resigned as chair of Western Cape on 26 February 2016.
Yusuf Bharoochie; Acting Chair from February until May 2016.
Hasim Salie; Elected Western Cape Chair in May 2016.
Yusuf Seedat; Gauteng Chair in November 2015, resigned as chair on 5 October 2016.
Bilal Vaid; Gauteng Acting Chairperson.
Adam Macheso; KZN Chair in November 2015.

Members from previous executive not re-elected onto board at October 2015 AGM:

Abdullah Khan
Abdul Fattaag Carr
Goolam Kolia
Mustapha Murudker

Detailed Income Statement

	Notes	2016 R	2015 R
Revenue			
Hajj fees		1,961,933	1,625,997
Registration fees - Hajj Operators		130,000	116,000
Registration fees - Hujjaj		1,592,170	1,935,625
	6	**3,684,103**	**3,677,622**
Other income			
Investment income	8	110,051	62,199
Gain on foreign exchange differences		111,041	131,917
		221,092	**194,116**
Operating expenses			
Airport Staff Expenses		11,407	20,000
Auditors remuneration	9	50,000	46,213
Bank charges		26,706	26,670
Depreciation		179,302	155,521
Employee costs		261,512	257,084
Impairments		-	182,478
Lease rentals on operating lease		221,034	197,913
Legal expenses		-	250
Meeting expenses		44,195	36,052
Mission expenses		1,856,014	1,504,812
Printing and stationery		14,559	5,260
Protocol Expenses		50,399	-
Roadshow Hajj		29,731	25,020
Secretarial fees		350	-
Staff welfare		1,125	4,513
Telephone and fax		74,732	83,578
Website hosting		120,993	4,709
		2,942,059	**2,550,073**
Operating surplus	7	**963,136**	**1,321,665**
Finance costs		(631)	-
Surplus for the year		**962,505**	**1,321,665**