

**SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS
AND RESIDENTS ASSOCIATION**
(A body of persons as members of a Constitution)
Annual Financial Statements
for the year ended 31 December 2016



SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2016

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Date issued

10 March 2017

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2016

REPORT OF FACTUAL FINDINGS

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES

To represent the Sea Point, Three Anchor Bay, Fresnaye and Bantry Bay Ratepayers and Residents within the area of operation. Further adding to this, points 3.2 to 3.7 of the constitution.

COMMITTEE MEMBERS

Janey Ball
Suzanne Kempen - Treasurer
David Polovin - Vice Chairman
Marc Sher - Security
Richard Gradner
Marco van Embden - Chairman
Jacques van Embden - Secretary
Aris Vayanos
Paul Berman

PHYSICAL ADDRESS

1 Gibraltar House
St Andrews Road
Sea Point
8001

DOMICILIUM CITANDI ET EXECUTANDI

1 Gibraltar House
St Andrews Road
Sea Point
8001

BANKERS

Standard Bank

AUDITORS

Audprop Incorporated

INCOME TAX REGISTRATION NUMBER

Exempt from Income Tax

INSURANCE COMPANY

The Hollard Insurance Company Limited

INSURANCE POLICY NUMBER

CM0000294

INSURANCE PERIOD

05/08/2016 to 31/07/2017

REPORT OF THE INDEPENDENT AUDITOR

TO SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

We have audited the annual financial statements of Sea Point, Fresnaye and Bantry Bay Ratepayers and Residents Association which comprises the Committee members' report, the statement of financial position as at 31 December 2016, the statement of detailed comprehensive income and expenditure, the statement of funds and reserves and statement of cash flows for the year then ended, a summary of significant policies and other explanatory notes.

Committee members' Responsibility for the Financial Statements

The Committee members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and in the manner required by the constitution of the association. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

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

Audit opinion

In our opinion the annual financial statements fairly present, in all material respects, the financial position of the association at 31 December 2016 and the results of its operations and cash flows for the year ended in accordance with IFRS for SME's and in the manner required by the constitution of the association.

Emphasis of matter

Without qualifying our opinion, we draw attention to the following:

Reserves and funds

We cannot comment on the adequacy of the reserves and funds that are set a side for the future maintenance of areas that are of concern to, or the responsibility of, the residents association.

Accounting and Secretarial duties

With the consent of the Committee members we have performed certain accounting and secretarial duties, which includes the preparation of the financial statements.

This report is of no force or effect unless the financial statements and trustees report has been signed by two trustees as required by the Sectional Titles Act, Act 95 of 1986.



Audprop Incorporated
Registered Auditor
Per NT Liebenberg

10 March 2017

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E-Mail: neil@audprop.co.za
Windsor Park, George, 6530

Audprop Incorporated IRBA registration number: ME 812018
Company registration number: 2009/007296/21
Director Neil Liebenberg CA(SA) and RA

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2016

COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL

The committee members are required by the constitution of the association, 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 the committee members' responsibility to ensure that the annual financial statements fairly present the state of affairs of the association 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 IFRS for SME's and the constitution of the association. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS for SME's and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The committee members are of the opinion, based on the information and explanations given by the committee members and management structures, 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 committee members have reviewed the association's cash flow forecast for the year to 31 December 2017 and in light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

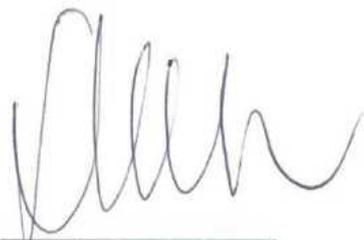
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Annual Financial Statements for the year ended 31 December 2016

COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL

The external auditors are responsible for independently reviewing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on page 3 - 4.

The annual financial statements have been prepared on the going concern basis and subject to no material changes to the present financial status, were approved by the committee members and were signed on their behalf by:



Committee member

10/03/17

Date



Committee member

10/3/17

Date

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2016

COMMITTEE MEMBERS' REPORT

The committee members present their report for the year ended 31 December 2016. This report forms part of the audited annual financial statements.

1. Review of activities

Main business and operations

The principal activity of the association is to represent the sea point, three anchor bay, fresnaye and bantry bay ratepayers and residents within the area of operation. Further adding to this, points 3.2 to 3.7 of the constitution and there were no major changes during the year. The operating results and state of affairs of the association 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

The committee members are not aware of any matter or circumstances arising since the end of the financial year to the date of this report, which requires additional reporting, explanations or which would lead to an adjustment of the financial results as presented.

4. Committee members' interest in contracts

To the best of our knowledge none of the committee members had any interest in contracts entered into during the period under review and no remuneration was paid to any Committee member.

5. Committee members

The committee members of the association during the year and to the date of this report are as follows:

Janey Ball

Suzanne Kempen - Treasurer

David Polovin - Vice Chairman

Marc Sher - Security

Richard Gradner

Marco van Embden - Chairman

Jacques van Embden - Secretary

Aris Vayanos

Paul Berman

6. Auditors

Audprop Incorporated was the auditor for the year under review and their re-appointment is dependent on a resolution taken to that effect by the members at the forthcoming annual general meeting.

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements as at 31 December 2016

STATEMENT OF FINANCIAL POSITION

Figures in R	Note(s)	2016	2015
Assets			
Non-Current Assets			
Fixed assets	3	81,796	9,591
		81,796	9,591
Current Assets			
Contributions in arrears	4	37,208	6,730
Cash and cash equivalents	5	25,755	139,838
		62,963	146,568
Total Assets		144,759	156,159
Funds and Liabilities			
Reserves and Funds			
Non-distributable reserves		1,596	1,596
Contingency fund		48,990	130,210
		50,586	131,806
Current Liabilities			
Accounts payable	6	15,622	5,841
Loan payable		47,507	-
Contributions in advance	7	31,044	18,512
		94,173	24,353
Total Funds and Liabilities		144,759	156,159

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2016

STATEMENT OF DETAILED COMPREHENSIVE INCOME AND EXPENDITURE

Figures in R	2016	2015
Membership contribution		
Bodies Corporate subscriptions	720	46,350
Private subscriptions	7,150	2,710
Security and cleaning	932,802	221,352
	940,672	270,412
Other Income		
Interest received from investments	3,719	4,434
Rental received	5,000	-
Sponsorships received	296,500	139,690
	305,219	144,124
Total Income	1,245,891	414,536
Expenditure		
Advertising	17,801	13,163
Audit fees	4,309	-
Bank charges	3,266	2,283
Cleaning services	79,224	30,347
Crime and Grime fee	20,536	-
Delivery fees	5,000	1,590
Depreciation	16,882	1,028
Doggy dispensers	3,100	2,927
Entertainment	224	-
Finance costs	3,414	-
Insurance	6,590	2,541
Internet expenses	2,431	1,648
Loss on destroyed asset	-	3,287
Meeting costs	5,881	300
Printing and stationery	2,117	1,278
Rental Segway	51,300	30,684
Salaries	179,400	92,198
Security	921,861	192,375
Subscriptions	1,466	300
Telephone and fax	59	-
Web design	2,250	7,650
Total Expenditure	1,327,111	383,600
(Deficit)/ Surplus	(81,220)	30,936

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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STATEMENT OF CHANGES IN FUNDS AND RESERVES

Figures in R	Non-distributable reserves	Contingency fund	Total
Balance at 1 January 2015	1,596	99,274	100,870
Surplus/(Deficit) for the year	-	30,936	30,936
Balance at 31 December 2015	1,596	130,210	131,806
Balance at 1 January 2016	1,596	130,210	131,806
Surplus/(Deficit) for the year	-	(81,220)	(81,220)
Balance at 31 December 2016	1,596	48,990	50,586

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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STATEMENT OF CASH FLOWS

Figures in R	Note(s)	2016	2015
Cash flows from operating activities			
(Deficit)/ Surplus for the year		(81,220)	30,937
<i>Adjustments for:</i>			
Interest paid		3,414	-
Depreciation		16,882	1,028
Interest received from investments		(3,719)	(4,434)
Loss on sale destroyed assets		-	3,287
Increase in accounts receivable		(30,478)	(6,730)
Increase in accounts payable		22,313	17,721
Cash (utilised in)/ generated by operating activities		(72,808)	41,809
Interest received from investments		3,719	4,434
Interest paid		(3,414)	-
Net cash from operating activities		(72,503)	46,243
Computer acquired		(89,087)	(10,618)
Loss on sale destroyed asset		-	(3,287)
Net cash utilised in investing activities		(89,087)	(13,905)
Cash flows from financing activities			
Loans raised		47,507	-
Net cash utilised in financing activities		47,507	-
(Decrease) / Increase in cash and cash equivalents		(114,083)	32,338
Cash and cash equivalents at beginning of the year		139,838	107,500
Cash and cash equivalents at end of the year	5	25,755	139,838

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2016

2015

1. General information

Sea Point, Fresnaye and Bantry Bay Ratepayers and Residents Association is a association in South Africa. The principal activities are to represent the sea point, three anchor bay, fresnaye and bantry bay ratepayers and residents within the area of operation. further adding to this, points 3.2 to 3.7 of the constitution.

2. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the IFRS for SME's issued by the International Accounting Standards Board (IASB). They are presented in South African Rands. All expenses applicable to the common property and administration are recovered from the various members by means of a monthly contribution in terms of the rules of the association and are in accordance with the constitution of the association.

2.1 Revenue recognition

The Association, through the Executive Committee, shall be empowered to raise funds from members by way of subscriptions and/or other methods so approved in order to conduct the affairs of the Association on a competent and sound financial basis as per the constitution of the association.

2.2 Income tax

The association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, Act 58 of 1962 and the receipts and accruals are exempt from income in terms of section 10(1)(cN) of the Act.

Donations by or to the public benefit organisation are exempt from donations tax in terms of section 56(1) of the Act and bequests or accruals from the estates of deceased persons in favour of the public benefit organisation are exempt from the payment of estate duty in terms of section 4(h) of the Estate Duty Act, Act 45 of 1955.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2016

2015

2.3 Property, plant and equipment

Items of property plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

The depreciation rates are as follows:

Computer Equipment	33.33%
Other Vehicles - Ninebot	33.33%

2.4 Trade and other receivables

Trade and other 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.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2016

2015

3. Fixed assets

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Office equipment	1	-	1	1	-	1
Computer equipment	10,618	4,567	6,051	10,618	1,028	9,590
Other vehicles - Security patrollers	89,087	13,343	75,744	-	-	-
	99,706	17,910	81,796	10,619	1,028	9,591

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2016 Carrying value at end of year
<i>Owned assets</i>					
Office equipment	1	-	-	-	1
Computer equipment	9,590	-	-	(3,538)	6,051
Other vehicles - Security patrollers	-	89,087	-	(13,343)	75,744
	9,591	89,087	-	(16,882)	81,796

4. Contributions in arrears

	120+	90Days	60Days	30Days	Current	Total
	70	-	-	2,610	34,528	37,208
						6,730

5. Cash and cash equivalents

Standard Bank current account	15,625	24,595
Standard Bank call account	10,130	115,475
	25,756	140,070

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R 2016 2015

6. Accounts payable

	90Days	60Days	30Days	Current	Total	
Straatwerk - OPHELP projekte	-	-	-	1,622	1,622	5,841
Proexec security	-	-	-	14,000	14,000	-
	-	-	-	15,622	15,622	5,841

7. Contributions in advance

	120+	90Days	60Days	30Days	Current	Total	
	-	-	-	-	31,044	31,044	18,512

8. Salaries

Salaries expense

Field worker	54,600	-
Coordinator	124,800	92,198
	179,400	92,198