

**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 2017



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

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Annual Financial Statements for the year ended 31 December 2017

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# 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 2017

## REPORT OF FACTUAL FINDINGS

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### 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

Ari Vayanos  
Jacques van Embden  
Janey Ball  
Juanita Levetan  
Marco van Embden  
Marc Sher  
Ori Saban  
Paul Berman  
Suzanne Kempen  
Jacques Weber

### 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

9355/962/18/5



## **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 2017, 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 2017 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.



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**Audprop Incorporated**  
**Registered Auditor**  
**Per: Niel Liebenberg**

**20 February 2018**

**Tel: (087) 056 2198 Cell: (082) 448 5522**  
**E-Mail: neil@audprop.co.za**  
**Cape Town/George/Port Elizabeth/Pretoria**

**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

(A body of persons as members of a Constitution)

Annual Financial Statements for the year ended 31 December 2017

## **COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL**

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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 2018 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

(A body of persons as members of a Constitution)

Annual Financial Statements for the year ended 31 December 2017

## COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL

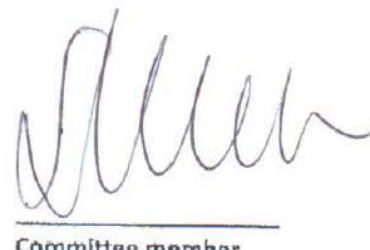
The external auditors are responsible for independently reviewing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on page 3 - 4.

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

19/2/2018  
Date



Committee member

19/02/2018  
Date

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

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Annual Financial Statements for the year ended 31 December 2017

## COMMITTEE MEMBERS' REPORT

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The committee members present their report for the year ended 31 December 2017. 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:

Ari Vayanos

Jacques van Embden

Janey Ball

Juanita Levetan

Marco van Embden

Marc Sher

Ori Saban

Paul Berman

Suzanne Kempen

Jacques Weber

### 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

(A body of persons as members of a Constitution)

Annual Financial Statements as at 31 December 2017

## STATEMENT OF FINANCIAL POSITION

Figures in R	Note(s)	2017	2016
<b>Assets</b>			
<b>Non-Current Assets</b>			
Fixed assets	3	48,564	81,796
		<b>48,564</b>	<b>81,796</b>
<b>Current Assets</b>			
Contributions in arrears	4	41,361	37,208
Cash and cash equivalents	5	128,492	25,755
		<b>169,853</b>	<b>62,963</b>
<b>Total Assets</b>		<b>218,417</b>	<b>144,759</b>
<b>Funds and Liabilities</b>			
<b>Reserves and Funds</b>			
Non-distributable reserves		1,596	1,596
Contingency fund		124,491	48,990
		<b>126,087</b>	<b>50,586</b>
<b>Current Liabilities</b>			
Accounts payable	6	31,630	15,622
Loan payable	7	10,810	47,507
Contributions in advance	8	49,890	31,044
		<b>92,330</b>	<b>94,173</b>
<b>Total Funds and Liabilities</b>		<b>218,417</b>	<b>144,759</b>

# 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 2017

## STATEMENT OF DETAILED COMPREHENSIVE INCOME AND EXPENDITURE

Figures in R	2017	2016
<b>Membership contribution</b>		
Bodies Corporate subscriptions	40,275	720
Private subscriptions	13,450	7,150
Security and cleaning	1,245,525	932,802
	<b>1,299,250</b>	<b>940,672</b>
<b>Other Income</b>		
Donations	1,600	-
Interest received from investments	4,281	3,719
Rental received	-	5,000
Sponsorships received	490,400	296,500
	<b>496,281</b>	<b>305,219</b>
<b>Total Income</b>	<b>1,795,531</b>	<b>1,245,891</b>

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

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Annual Financial Statements for the year ended 31 December 2017

## STATEMENT OF DETAILED COMPREHENSIVE INCOME AND EXPENDITURE

Figures in R	2017	2016
<b>Expenditure</b>		
Advertising	5,365	17,801
Audit fees	4,080	4,309
Bank charges	4,187	3,266
Cleaning services	198,078	79,224
Crime and Grime fee	25,000	20,536
Delivery fees	-	5,000
Depreciation	33,232	16,882
Entertainment	-	224
Insurance	10,457	6,590
Interest paid	958	3,414
Internet expenses	3,871	2,431
Legal fees	25,352	-
Meeting costs	2,929	5,881
Printing and stationery	2,755	2,117
Rental Segway	38,475	51,300
Repairs and maintenance	9	3,100
Salaries	10	265,439
Secretarial fees	4,213	-
Security	1,030,508	921,861
Small assets	25,000	-
Staff welfare	1,205	-
Subscriptions	-	1,466
Telephone and fax	7,031	59
Web design	1,250	2,250
<b>Total Expenditure</b>	<b>1,720,030</b>	<b>1,327,111</b>
<b>Surplus/ (Deficit)</b>	<b>75,501</b>	<b>(81,220)</b>

# 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
<b>Balance at 1 January 2015</b>	1,596	130,210	131,806
Surplus/(Deficit) for the year	-	(81,220)	(81,220)
<b>Balance at 31 December 2016</b>	<b>1,596</b>	<b>48,990</b>	<b>50,586</b>
<b>Balance at 1 January 2017</b>	1,596	48,990	50,586
Surplus/(Deficit) for the year	-	75,501	75,501
<b>Balance at 31 December 2017</b>	<b>1,596</b>	<b>124,491</b>	<b>126,087</b>

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

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## STATEMENT OF CASH FLOWS

Figures in R	Note(s)	2017	2016
<b>Cash flows from operating activities</b>			
Surplus/ (Deficit) for the year		75,501	(81,220)
<i>Adjustments for:</i>			
Interest paid		958	3,414
Depreciation		33,232	16,882
Interest received from investments		(4,281)	(3,719)
Increase in accounts receivable		(4,153)	(30,478)
Increase in accounts payable		34,854	22,313
<b>Cash generated by/ (utilised in) operating activities</b>		<b>136,111</b>	<b>(72,808)</b>
Interest received from investments		4,281	3,719
Interest paid		(958)	(3,414)
<b>Net cash from operating activities</b>		<b>139,434</b>	<b>(72,503)</b>
Computer acquired		-	(89,087)
<b>Net cash utilised in investing activities</b>		<b>-</b>	<b>(89,087)</b>
<b>Cash flows from financing activities</b>			
Loans (repaid) / raised		(36,697)	47,507
<b>Net cash (utilised in) / generated by financing activities</b>		<b>(36,697)</b>	<b>47,507</b>
Increase/ (Decrease) in cash and cash equivalents		102,737	(114,083)
Cash and cash equivalents at beginning of the year		25,755	139,838
<b>Cash and cash equivalents at end of the year</b>	5	<b>128,492</b>	<b>25,755</b>

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

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Annual Financial Statements for the year ended 31 December 2017

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2017

2016

### 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.

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

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## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2017

2016

### 2.3 Property, plant and equipment

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%

### 3. Fixed assets

	Cost	Accumulated depreciation	2017 Carrying value	Cost	Accumulated depreciation	2016 Carrying value
<i>Owned assets</i>						
Office equipment	1	-	<b>1</b>	1	-	1
Computer equipment	10,618	8,106	<b>2,512</b>	10,618	4,567	6,051
Other vehicles - Security patrollers	89,087	43,036	<b>46,051</b>	89,087	13,343	75,744
	<b>99,706</b>	<b>51,142</b>	<b>48,564</b>	<b>99,706</b>	<b>17,910</b>	<b>81,796</b>

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

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2017 Carrying value at end of year
<i>Owned assets</i>					
Office equipment	1	-	-	-	1
Computer equipment	6,051	-	-	(3,538)	2,513
Other vehicles - Security patrollers	75,744	-	-	(29,693)	46,051
	<b>81,796</b>	-	-	<b>(33,231)</b>	<b>48,565</b>

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

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Annual Financial Statements for the year ended 31 December 2017

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R						2017	2016
<b>4. Contributions in arrears</b>							
	<b>120+</b>	<b>90Days</b>	<b>60Days</b>	<b>30Days</b>	<b>Current</b>	<b>Total</b>	
	<b>560</b>	<b>-</b>	<b>490</b>	<b>7,645</b>	<b>32,666</b>	<b>41,361</b>	<b>37,208</b>
<b>5. Cash and cash equivalents</b>							
Standard Bank current account						11,236	15,625
Standard Bank call account						117,256	10,130
						<b>128,492</b>	<b>25,756</b>
<b>6. Accounts payable</b>							
		<b>90Days</b>	<b>60Days</b>	<b>30Days</b>	<b>Current</b>	<b>Total</b>	
Lenny Zane		-	-	-	2,270	2,270	-
Straatwerk - OPHELP projekte		-	-	-	23,600	23,600	1,622
Proexec security		-	-	-	-	-	14,000
Sars PAYE		-	-	-	5,760	5,760	-
		<b>-</b>	<b>-</b>	<b>-</b>	<b>31,630</b>	<b>31,630</b>	<b>15,622</b>
<b>7. Loans payable</b>							
Loan payable - short term						10,810	47,507
						<b>10,810</b>	<b>47,507</b>
Additional details if required							
<b>8. Contributions in advance</b>							
	<b>120+</b>	<b>90Days</b>	<b>60Days</b>	<b>30Days</b>	<b>Current</b>	<b>Total</b>	
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,890</b>	<b>49,890</b>	<b>31,044</b>
<b>9. Repairs and maintenance</b>							
Doggy dispensers						-	3,100
Patroller						12,587	-
Tracking						18,058	-
						<b>30,645</b>	<b>3,100</b>



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

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Annual Financial Statements for the year ended 31 December 2017

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R	2017	2016
<b>10. Salaries</b>		
Field worker	51,620	54,600
Coordinator	213,819	124,800
	<b>265,439</b>	<b>179,400</b>