

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

REG. NO : 2004/007225/08

ANNUAL FINANCIAL STATEMENTS

30 JUNE 2013

CONTENTS	PAGE
Directors' approval of Annual Financial Statements	1
Report of the Independent Auditors	2
Annual Financial Statements	
Report of the Directors	3
Balance Sheet	4
Income Statement	5
Notes to the Financial Statements	6
Cash Flow Statement	7 – 8

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements set out on pages 3 to 8 have been approved by the Directors:

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INDEPENDENT AUDITORS' REPORT

To the Members of Airport Industria City Improvement District NPC

Report on the Financial Statements

We have audited the Annual Financial Statements of Airport Industria City Improvement District NPC, which comprise the balance sheet as at 30 June 2013, and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes and the directors' report, as set out on pages 3 to 8.

Directors' Responsibility for the Financial Statements

The Company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities and in the manner required by the Companies Act of South Africa. 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.

Auditors' 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 auditors' 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 entity'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 entity'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 Annual Financial Statements present fairly, in all material respects, the financial position of the Company as at 30 June 2013, and its financial performance and its cash flows for the year then ended in accordance with the Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities and in the manner required by the Companies Act of South Africa.

LOW AND SCHREIBER
REGISTERED AUDITORS, CAPE TOWN
26 AUGUST 2013

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

REPORT OF THE DIRECTORS

To the Members

NATURE OF BUSINESS

The Company represents and protects the interests of landowners and tenants operating in Airport Industria, concentrating particularly on security, maintenance and related issues.

FINANCIAL POSITION

The state of the Company's affairs is adequately reflected in the Annual Financial Statements. No material fact or circumstance has occurred between the accounting date and the date of this Report.

CAPITAL STRUCTURE

The Company is registered in terms of the Companies Act and has no share capital and no part of its income or assets may be distributed to Members. All reserves are therefore non-distributable.

STATEMENT OF RESPONSIBILITY

The Directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the Financial Statements and related information. The Auditors are responsible to report on the fair presentation of the Financial Statements. The Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice and in the manner required by the Companies Act.

The Directors are also responsible for the Company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the Financial Statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.

The Financial Statements have been prepared on the going concern basis, since the Directors have every reason to believe that the Company has adequate resources in place to continue in operation for the foreseeable future.

DIRECTORS

J S Jackson
E D B Laurensen
D N McMurray
D A Morillion

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

BALANCE SHEET

At 30 June 2013

	Note	2013 R	2012 R
ASSETS			
NON-CURRENT ASSETS			
		42,383	-
Fixed Asset – Trailer	2	42,383	-
CURRENT ASSETS			
		639,578	966,096
Accounts Receivable		4,279	1,789
Cash Reserves		635,299	964,307
TOTAL ASSETS		<u>681,961</u>	<u>966,096</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
		656,433	940,490
Non-Distributable Reserves	3	656,433	940,490
CURRENT LIABILITIES			
		25,528	25,606
Accounts Payable	4	25,528	25,606
TOTAL EQUITY AND LIABILITIES		<u>681,961</u>	<u>966,096</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

INCOME STATEMENT

For the year ended 30 June 2013

	2013 R	2012 R
INCOME	2,266,426	1,956,838
Bad Debts Reserve Refunded	222,336	145,983
Donation – Trailer	38,000	-
Interest Received	35,990	40,255
Levies Received	1,970,100	1,770,600
EXPENDITURE	2,550,483	1,799,574
Accounting and Audit Fees	7,700	7,000
Accounting and Audit Fees – Previous Year Overprovision	-	(500)
Bank Charges	2,534	1,891
Computer Expenses	3,185	1,311
Depreciation	4,700	-
Improvement Services	807,642	288,638
Insurance	1,978	2,440
Meeting Expenses	10,708	10,244
Miscellaneous	2,233	-
Rental	3,600	2,722
Salaries	313,432	289,988
Security Services	1,352,519	1,166,683
Stationery, Postage and Printing	4,034	5,665
Telephone	17,317	13,313
Travelling	11,601	10,179
Website	7,300	-
NET (DEFICIT)/INCOME FOR THE YEAR	(284,057)	157,264
TRANSFERRED FROM/(TO) NON-DISTRIBUTABLE RESERVE	284,057	(157,264)
	<u>-</u>	<u>-</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE FINANCIAL STATEMENTS

30 June 2013

1. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with the Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities. The Trailer is depreciated at 10% per annum.

2. FIXED ASSETS

	Cost R	Accum Depr R	2013 Net Book Value R	2012 Net Book Value R
Trailer	<u>47,083</u>	<u>4,700</u>	<u>42,383</u>	<u>-</u>

3. NON-DISTRIBUTABLE RESERVE

	2013 R	2012 R
Opening Balance	940,490	783,226
Transferred (to)/from Income Statement	(284,057)	157,264
Closing Balance	<u>656,433</u>	<u>940,490</u>

4. ACCOUNTS PAYABLE

VAT	2,853	1,597
SARS	-	3,711
Audit Fees	7,700	7,000
Sundry Suppliers	14,975	13,298
	<u>25,528</u>	<u>25,606</u>

5. TAXATION

No provision has been made for taxation as the Company is registered as a Public Benefit Organisation and is exempt from taxation.

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

CASH FLOW STATEMENT

For the year ended 30 June 2013

	Note	2013 R	2012 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilised in)/generated by Operations	1	(317,915)	128,204
Interest Received		35,990	40,255
Net Cash (outflow)/inflow from Operating Activities		<u>(281,925)</u>	<u>168,459</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets		(47,083)	-
Net Cash outflow from Investing Activities		<u>(47,083)</u>	<u>-</u>
NET CASH FLOW		(329,008)	168,459
CASH AND CASH EQUIVALENTS at beginning of the year		964,307	795,848
CASH AND CASH EQUIVALENTS at end of the year		<u>635,299</u>	<u>964,307</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2013

	2013	2012
	R	R
1. CASH (UTILISED IN)/GENERATED BY OPERATIONS		
Net (Deficit)/Profit before Taxation	(284,057)	157,264
Adjustment for:		
Interest Received	(35,990)	(40,255)
Depreciation	4,700	-
Operating (Loss)/Profit before Working Capital Changes	<u>(315,347)</u>	<u>117,009</u>
Working Capital Changes	(2,568)	11,195
Increase in Accounts Receivable	(2,490)	-
(Decrease)/Increase in Accounts Payable	(78)	11,195
Cash (utilised in)/generated by Operations	<u><u>(317,915)</u></u>	<u><u>128,204</u></u>