

**AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC**

**REG. NO : 2004/007225/08**

**ANNUAL FINANCIAL STATEMENTS**

**30 JUNE 2014**

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**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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**LOW AND SCHREIBER**  
**CHARTERED ACCOUNTANTS (S A)**

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*Barrie William Low, B.Com M.Phil (Tax Law)*

## **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 2014, 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 International Financial Reporting Standards 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 2014, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards 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  
25 JULY 2014

# **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 International financial Reporting Standards for Small and Medium-Sized Entities 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 Laurenson  
D N McMurray  
D A Morillion

# AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

## BALANCE SHEET

At 30 June 2014

	Note	2014 R	2013 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Asset – Trailer	2	37,379	42,383
<b>CURRENT ASSETS</b>			
Accounts Receivable		789	4,279
Cash Reserves		712,477	635,299
<b>TOTAL ASSETS</b>		<u>750,615</u>	<u>681,961</u>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Non-Distributable Reserves	3	739,099	656,433
<b>CURRENT LIABILITIES</b>			
Accounts Payable	4	11,516	25,528
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>750,615</u>	<u>681,961</u>

**AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC**

**INCOME STATEMENT**

For the year ended 30 June 2014

	2014 R	2013 R
<b>INCOME</b>	2,497,585	2,266,426
Bad Debts Reserve Refunded	266,899	222,336
Donation – Trailer	-	38,000
Interest Received	32,166	35,990
Levies Received	2,198,520	1,970,100
<b>EXPENDITURE</b>	2,414,919	2,550,483
Accounting and Audit Fees	8,250	7,700
Accounting and Audit Fees – Previous Year Overprovision	(200)	-
Bank Charges	2,258	2,534
Computer Expenses	920	3,185
Depreciation	5,004	4,700
Improvement Services	472,557	807,642
Insurance	9,131	1,978
Meeting Expenses	11,264	10,708
Miscellaneous	5,430	2,233
Rental	3,360	3,600
Salaries	339,892	313,432
Security Services	1,519,035	1,352,519
Stationery, Postage and Printing	6,959	4,034
Telephone	16,350	17,317
Travelling	14,709	11,601
Website	-	7,300
<b>NET INCOME/ (DEFICIT) FOR THE YEAR</b>	82,666	(284,057)
<b>TRANSFERRED (TO)/FROM NON-DISTRIBUTABLE RESERVE</b>	(82,666)	(284,057)
	-	-

## AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

### NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

#### 1. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities. The Trailer is depreciated at 10% per annum.

#### 2. FIXED ASSETS

	Cost R	Accum Depr R	2014 Net Book Value R	2013 Net Book Value R
Trailer	<u>47,083</u>	<u>9,704</u>	<u>37,379</u>	<u>42,383</u>

#### 3. NON-DISTRIBUTABLE RESERVE

	2014 R	2013 R
Opening Balance	656,433	940,490
Transferred from/to Income Statement	82,666	(284,057)
Closing Balance	<u>739,099</u>	<u>656,433</u>

#### 4. ACCOUNTS PAYABLE

VAT	3,266	2,853
Audit Fees	8,250	7,700
Sundry Suppliers	-	14,975
	<u>11,516</u>	<u>25,528</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 2014

	Note	2014 R	2013 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash (utilised in)/generated by Operations	1	44,982	(317,915)
Interest Received		32,166	35,990
Net Cash inflow/ (outflow) from Operating Activities		<u>77,148</u>	<u>(281,459)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Fixed Assets		-	(47,083)
Net Cash outflow from Investing Activities		<u>-</u>	<u>(47,083)</u>
<b>NET CASH FLOW</b>		77,148	(329,008)
<b>CASH AND CASH EQUIVALENTS</b> at beginning of the year		635,299	964,307
<b>CASH AND CASH EQUIVALENTS</b> at end of the year		<u>712,447</u>	<u>635,299</u>

## AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

### NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2014

	2014	2013
	R	R
<b>1. CASH GENERATED BY / (UTILISED IN) OPERATIONS</b>		
Net Profit/ (Deficit) before Taxation	82,666	(284,057)
Adjustment for:		
Interest Received	(32,166)	(35,990)
Depreciation	5,004	4,700
Operating Profit / (Loss) before Working Capital Changes	<u>55,504</u>	<u>(315,347)</u>
Working Capital Changes	(10,522)	(2,568)
Decrease/ (Increase) in Accounts Receivable	3,490	(2,490)
Decrease in Accounts Payable	(14,012)	(78)
Cash generated by / (utilised in) Operations	<u><u>44,982</u></u>	<u><u>(317,915)</u></u>