

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

REG. NO : 2004/007225/08

ANNUAL FINANCIAL STATEMENTS

30 JUNE 2016

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:



A handwritten signature in black ink, written over a horizontal line. The signature is highly stylized and cursive, appearing to start with a large 'D' and ending with a long, sweeping tail.



A handwritten signature in black ink, written over a horizontal line. The signature is cursive and includes a large, circular flourish on the right side.

LOW AND SCHREIBER
CHARTERED ACCOUNTANTS (S A)

Telephone: (021) 685-4047
Telefax: (021) 685-4272
E-mail: info@lowandschreiber.co.za
VAT Reg No: 4440162735

1 Klein Rustenburg
8 Main Road
Rondebosch
Cape Town
7700 Rep of SA

POSTAL ADDRESS:
P O BOX 187
RONDEBOSCH
CAPE TOWN
7701 REP OF SA

William Wallace Low, B.Com
Anthony Michael Schreiber, B.Com
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 2016, 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 2016, 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
14 JULY 2016

LOW AND SCHREIBER

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 2016

	Note	2016 R	2015 R
ASSETS			
NON-CURRENT ASSETS			
Fixed Asset – Trailer	2	34,024	32,375
CURRENT ASSETS			
Accounts Receivable		789	789
Cash Reserves		1,345,110	740,388
Sundry Debtors		691	-
TOTAL ASSETS		<u>1,380,614</u>	<u>773,552</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Non-Distributable Reserves	3	1,350,865	760,266
CURRENT LIABILITIES			
Accounts Payable	4	29,749	13,286
TOTAL EQUITY AND LIABILITIES		<u>1,380,614</u>	<u>773,552</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

INCOME STATEMENT

For the year ended 30 June 2016

	2016 R	2015 R
INCOME	3,380,148	2,628,693
Bad Debts Reserve Refunded	336,740	134,079
Interest Received	64,808	29,914
Levies Received	2,978,600	2,464,700
EXPENDITURE	2,789,549	2,607,526
Accounting and Audit Fees	10,000	9,000
Bank Charges	1,631	1,591
Computer Expenses	1,623	2,064
Depreciation	5,954	5,004
Improvement Services	594,888	555,295
Insurance	5,699	5,699
Meeting Expenses	5,287	7,036
Miscellaneous	5,629	5,240
Rental	5,000	4,200
Salaries	386,149	361,580
Security Services	1,727,998	1,618,481
Staff Welfare	5,120	-
Stationery, Postage and Printing	4,010	3,259
Telephone	16,042	16,362
Travelling	14,519	12,715
NET INCOME FOR THE YEAR	<u>590,599</u>	<u>21,167</u>
TRANSFERRED TO NON-DISTRIBUTABLE RESERVE	<u>(590,599)</u>	<u>(21,167)</u>
	<u>-</u>	<u>-</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE FINANCIAL STATEMENTS

30 June 2016

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 and the Airconditioner at 25% per annum.

2. FIXED ASSETS

	Cost R	Accum Depr R	2016 Net Book Value R	2015 Net Book Value R
Airconditioner	7,603	950	6,653	-
Trailer	47,083	19,712	27,371	32,375
	<u>54,686</u>	<u>20,662</u>	<u>34,024</u>	<u>32,375</u>

3. NON-DISTRIBUTABLE RESERVE

	2016 R	2015 R
Opening Balance	760,266	739,099
Transferred from Income Statement	590,599	21,167
Closing Balance	<u>1,350,865</u>	<u>760,266</u>

4. ACCOUNTS PAYABLE

	2016 R	2015 R
VAT	9,004	4,286
Audit Fees	10,000	9,000
Sundry Suppliers	10,745	-
	<u>29,749</u>	<u>13,286</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 2016

	Note	2016 R	2015 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by Operations	1	547,517	(1,973)
Interest Received		64,808	29,914
Net Cash inflow from Operating Activities		<u>612,325</u>	<u>27,941</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets		(7,603)	-
Net Cash outflow from Investing Activities		<u>(7,603)</u>	<u>-</u>
NET CASH FLOW		604,722	27,941
CASH AND CASH EQUIVALENTS at beginning of the year		740,388	712,447
CASH AND CASH EQUIVALENTS at end of the year		<u>1,345,110</u>	<u>740,388</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2016

	2016 R	2015 R
1. CASH GENERATED BY OPERATIONS		
Net Profit before Taxation	590,599	21,167
Adjustment for:		
Interest Received	(64,808)	(29,914)
Depreciation	5,954	5,004
Operating Profit before Working Capital Changes	531,745	(3,743)
Working Capital Changes	15,772	1,770
Change in Accounts Receivable	(691)	-
Change in Accounts Payable	16,463	1,770
Cash generated by Operations	547,517	(1,973)