

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

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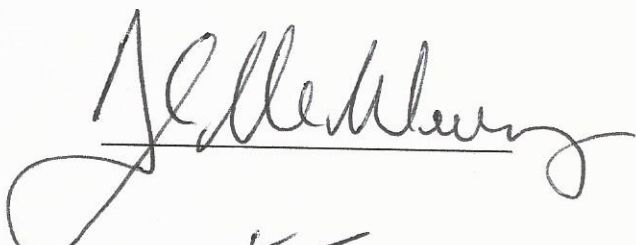
ANNUAL FINANCIAL STATEMENTS

30 JUNE 2019

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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 and are signed on their behalf by :


DATE: 15 Feb 2019



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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 2019, 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 2019, 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

LOW AND SCHREIBER
REGISTERED AUDITORS, CAPE TOWN
15 JULY 2019

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

D N McMurray

D A Morillion (resigned 3/10/2019)

A J Healey (appointed 28/09/2019)

G J Magee (appointed 28/09/2019)

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

BALANCE SHEET

At 30 June 2019

	Note	2019 R	2018 R
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	2	1,385,183	823,806
CURRENT ASSETS			
Accounts Receivable		789	789
Cash Reserves		1,961,057	2,145,142
Sundry Debtors		-	62,192
TOTAL ASSETS		<u>3,347,029</u>	<u>3,031,929</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Non-Distributable Reserves	3	3,309,075	2,682,317
CURRENT LIABILITIES			
Accounts Payable	4	37,954	349,612
TOTAL EQUITY AND LIABILITIES		<u>3,347,029</u>	<u>3,031,929</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

INCOME STATEMENT

For the year ended 30 June 2019

	2019 R	2018 R
INCOME	4,082,254	3,936,056
Bad Debts Reserve Refunded	-	186,782
Interest Received	104,254	146,218
Services Rendered	3,978,000	3,603,056
EXPENDITURE	3,455,496	3,219,521
Accounting and Audit Fees	13,300	12,100
Bank Charges	1,808	1,655
Computer Expenses	695	10,700
Depreciation	79,326	15,533
Improvement Services	684,218	662,139
Insurance	8,221	8,219
Meeting Expenses	6,270	7,717
Miscellaneous	2,713	66
Rental	7,500	5,500
Repairs to Equipment	7,751	-
Salaries	485,823	451,391
Security Services	2,120,141	2,006,544
Staff Welfare	4,009	4,099
Stationery, Postage and Printing	2,555	2,216
Telephone	17,786	17,650
Travelling	13,380	13,992
NET INCOME FOR THE YEAR	626,758	716,535
TRANSFERRED TO NON-DISTRIBUTABLE RESERVE	(626,758)	(716,535)
	-	-

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

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, the Airconditioner at 25% per annum, the Thermal Units at 33.33% per annum and the Security Wall at 6.67 % per annum.

2. FIXED ASSETS

	Cost	Accum Depr	2019 Net Book Value	2018 Net Book Value
	R	R	R	R
Airconditioner	7,603	7,282	321	2,221
Security Wall	1,435,654	63,743	1,371,911	794,951
Trailer	47,083	34,132	12,951	17,659
Thermal Units	26,775	26,775	-	8,975
	<u>1,517,115</u>	<u>131,932</u>	<u>1,385,183</u>	<u>823,806</u>

3. NON-DISTRIBUTABLE RESERVE

	2019 R	2018 R
Opening Balance	2,682,317	1,965,782
Transferred from Income Statement	626,758	716,535
Closing Balance	<u>3,309,075</u>	<u>2,682,317</u>

4. ACCOUNTS PAYABLE

VAT	14,654	-
Audit Fees	13,300	12,100
Sundry Suppliers	10,000	12,940
Security Wall Contractor	-	324,572
	<u>37,954</u>	<u>349,612</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 2019

	Note	2019 R	2018 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by Operations	1	352,364	841,486
Interest Received		104,254	146,218
Net Cash inflow from Operating Activities		<u>456,618</u>	<u>987,704</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets		(640,703)	(794,951)
Net Cash outflow from Investing Activities		<u>(640,703)</u>	<u>(794,951)</u>
NET CASH FLOW		(184,085)	192,753
CASH AND CASH EQUIVALENTS at beginning of the year		2,145,142	1,952,389
CASH AND CASH EQUIVALENTS at end of the year		<u><u>1,961,057</u></u>	<u><u>2,145,142</u></u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2019

	2019 R	2018 R
1. CASH GENERATED BY OPERATIONS		
Net Profit before Taxation	626,758	716,535
Adjustment for:		
Interest Received	(104,254)	(146,218)
Depreciation	79,326	15,533
Operating Profit before Working Capital Changes	601,830	585,850
Working Capital Changes	(249,466)	255,636
Change in Accounts Receivable	62,192	(62,192)
Change in Accounts Payable	(311,658)	317,828
Cash generated by Operations	352,364	841,486