

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

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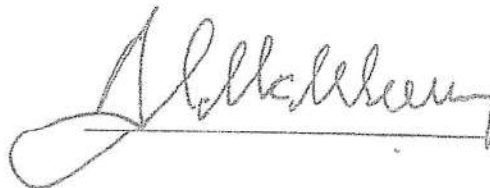
ANNUAL FINANCIAL STATEMENTS

30 JUNE 2024

CONTENTS	PAGE
Directors' approval of Annual Financial Statements	1
Report of the Independent Auditors	2-3
Annual Financial Statements	
Report of the Directors	4
Balance Sheet	5
Income Statement	6
Notes to the Financial Statements	7
Cash Flow Statement	8-9

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements set out on pages 4 to 9 have been approved by the Directors and are signed on their behalf by:


_____

LOW AND SCHREIBER
CHARTERED ACCOUNTANTS (S A)

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INDEPENDENT AUDITORS' REPORT

To the Members of Airport Industria City Improvement District NPC

Opinion

We have audited the annual financial statements of the company set out on pages 4 to 9, which comprise the statement of financial position as at 30 June 2024, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Annual Financial Statements for the year ended 30 June 2024, which includes the Directors' Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the owners determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Low and Schreiber

LOW AND SCHREIBER
REGISTERED AUDITORS, CAPE TOWN

Per: A M SCHREIBER
REGISTERED AUDITOR

31 JULY 2024
CAPE TOWN

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
A J Healey
G J Magee
G L De La Porte
C W Von During

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

BALANCE SHEET

At 30 June 2024

	Note	2024 R	2023 R
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	2	2,612,074	2,414,534
CURRENT ASSETS			
Accounts Receivable		5,431	789
Cash Reserves		6,367,852	4,748,914
TOTAL ASSETS		<u>8,985,357</u>	<u>7,164,237</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Non-Distributable Reserves	3	8,760,402	7,098,999
CURRENT LIABILITIES			
Accounts Payable	4	224,955	65,238
TOTAL EQUITY AND LIABILITIES		<u>8,985,357</u>	<u>7,164,237</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

INCOME STATEMENT

For the year ended 30 June 2024

	2024 R	2023 R
REVENUE	6,862,076	5,789,761
Additional Rates Retentions Received	338,654	97,292
Interest Received	476,688	307,962
Additional Rates Received	6,046,734	5,384,507
EXPENDITURE	5,200,673	5,032,093
Accounting and Audit Fees	21,300	19,360
Bank Charges	2,205	2,507
Computer Expenses	12,143	5,057
Depreciation	298,024	256,322
Improvement Services	970,312	867,268
Insurance	21,720	7,174
Meeting Expenses	17,414	14,446
Miscellaneous	1,250	1,250
Rental	6,000	5,000
Roadmarking and Repairs	319,309	211,099
Salaries	696,970	655,848
Security Services	2,798,514	2,939,804
Staff Welfare	4,447	4,140
Stationery, Postage and Printing	6,528	6,317
Telephone	8,970	20,297
Travelling	15,567	16,204
NET SURPLUS FOR THE YEAR	1,661,403	757,668
TRANSFERRED TO NON-DISTRIBUTABLE RESERVE	(1,661,403)	(757,668)
	-	-

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE FINANCIAL STATEMENTS

30 June 2024

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 Air conditioner at 25% per annum, the Computer Equipment and Thermal Units at 33.33% per annum, Security Wall at 6.67 % per annum and CCTV Cameras at 20% per annum.

2. FIXED ASSETS

	Cost	Accum Depr	2024 Net Book Value	2023 Net Book Value
	R	R	R	R
Air Conditioner	7,603	7,603	-	-
Security Wall	2,552,826	728,057	1,824,769	1,995,042
Trailer	47,083	47,083	-	-
Thermal Units	26,775	26,775	-	-
Computer Equipment	13,348	13,348	-	4,448
CCTV Cameras	1,014,369	227,064	787,305	415,044
	<u>3,662,004</u>	<u>1,049,930</u>	<u>2,612,074</u>	<u>2,414,534</u>

3. NON-DISTRIBUTABLE RESERVE

	2024 R	2023 R
Opening Balance	7,098,999	6,341,331
Transferred from Income Statement	1,661,403	757,668
Closing Balance	<u>8,760,402</u>	<u>7,098,999</u>

4. ACCOUNTS PAYABLE

	2024	2023
VAT	-	21,318
Audit Fees	21,300	19,360
Sundry Suppliers	203,655	24,560
	<u>224,955</u>	<u>65,238</u>

5. TAXATION

No provision has been made for taxation as the Company is exempt from paying tax in terms of section 10(1)(d)(iii).

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

CASH FLOW STATEMENT

For the year ended 30 June 2024

	Note	2024 R	2023 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by Operations	1	1,637,814	719,136
Interest Received		476,688	307,962
Net Cash inflow from Operating Activities		<u>2,114,502</u>	<u>1,027,098</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets		(495,564)	(851,073)
Net Cash outflow from Investing Activities		<u>(495,564)</u>	<u>(851,073)</u>
NET CASH FLOW		1,618,938	176,025
CASH AND CASH EQUIVALENTS at beginning of the year		4,748,914	4,572,889
CASH AND CASH EQUIVALENTS at end of the year		<u>6,367,852</u>	<u>4,748,914</u>

AIRPORT INDUSTRIA CITY IMPROVEMENT DISTRICT NPC

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2024

	2024	2023
	R	R
1. CASH GENERATED BY OPERATIONS		
Net Surplus before Taxation	1,661,403	757,668
Adjustment for:		
Interest Received	(476,688)	(307,962)
Depreciation	298,024	256,322
Operating Profit before Working Capital Changes	<u>1,482,739</u>	<u>706,028</u>
Working Capital Changes	155,075	13,108
Change in Accounts Receivable	(4,642)	-
Change in Accounts Payable	159,717	13,108
Cash generated by Operations	<u><u>1,637,814</u></u>	<u><u>719,136</u></u>