

MUIZENBERG IMPROVEMENT DISTRICT NPC

REG. NO : 2001/018176/08

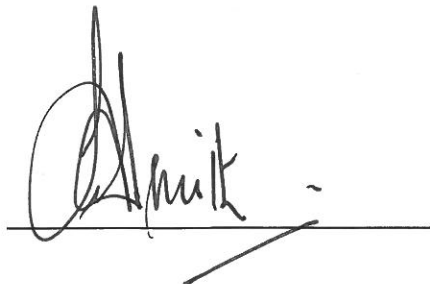
ANNUAL FINANCIAL STATEMENTS

30 JUNE 2014

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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements set out on pages 3 to 9 have been approved by the Directors:



A handwritten signature in black ink, appearing to read 'D. M. K.', is written over a horizontal line.



A handwritten signature in black ink, appearing to read 'A. M. K.', is written over a horizontal line.

LOW AND SCHREIBER
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INDEPENDENT AUDITORS' REPORT

To the Members of Muizenberg Improvement District NPC

Report on the Financial Statements

We have audited the Annual Financial Statements of Muizenberg 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 9.

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

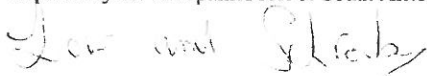
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether 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 2014, 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
18 AUGUST 2014

MUIZENBERG IMPROVEMENT DISTRICT NPC

REPORT OF THE DIRECTORS

To the Members

NATURE OF BUSINESS

The main objective of the Company is to revitalise designated areas within Muizenberg, providing security, cleaning and various improvement services.

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 as a Not For Profit Company 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

S Frankal	S Voges (appointed July 2013)
P Wright	M Wagner (appointed July 2013)
L Smith	D Jones (resigned December 2013)
S E Milne	J Maxwell (resigned November 2013)
K Hamilton	J Annandale (resigned August 2013)
G Hill	
M Romyn	

MUIZENBERG IMPROVEMENT DISTRICT NPC

BALANCE SHEET

At 30 June 2014

	Note	2014 R	2013 R
ASSETS			
NON-CURRENT ASSETS		21,316	50,560
Fixed Assets	2	21,316	50,560
CURRENT ASSETS		681,425	306,414
Cash Reserves		681,425	306,414
TOTAL ASSETS		<u>702,741</u>	<u>356,974</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES		669,079	350,899
Non-Distributable Reserves	3	563,395	350,899
Specific Funds	4	105,684	-
CURRENT LIABILITIES		33,662	6,075
Accounts Payable		33,662	6,075
TOTAL EQUITY AND LIABILITIES		<u>702,741</u>	<u>356,974</u>

MUIZENBERG IMPROVEMENT DISTRICT NPC

INCOME STATEMENT

For the year ended 30 June 2014

	Note	2014 R	2013 R
INCOME		1,822,357	1,160,772
Bad Debts Reserve Refunded		165,704	44,604
Donations for Specific Funding	4	216,257	-
Interest Received		7,850	6,982
Law Enforcement Income		218,461	-
Levies Received		1,207,450	1,109,186
Sundry Income		6,635	-
EXPENDITURE		1,504,177	1,186,863
Accounting Fees		25,233	29,044
Advertising, Marketing and Publications		32,319	29,436
Audit Fees and Related Services		12,950	6,000
Bank Charges		6,645	7,386
Cleaning and Maintenance		269,780	201,087
Depreciation		31,699	47,424
Improvement Projects		30,520	71,244
Insurance		7,772	4,886
Law Enforcement Expenses		218,461	-
Meeting Expenses		6,722	3,402
Miscellaneous		7,763	7,272
Rental		16,775	15,246
Salaries and Wages		142,338	150,041
Security Services		510,707	580,906
Specific Funding Expenses	4	110,572	-
Stationery, Postage and Printing		8,709	8,552
Surplus Operational Projects	5	49,764	-
Telephone and Computer Expenses		14,552	22,978
Travelling		896	1,959
NET PROFIT/(LOSS) FOR THE YEAR		318,180	(26,091)
TRANSFERRED (TO)/FROM NON-DISTRIBUTABLE RESERVE		(212,496)	26,091
TRANSFER TO SPECIFIC FUNDS		(105,684)	-
		-	-

MUIZENBERG 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 Statement of Generally Accepted Accounting Practice for Small and Medium-sized Entities on a basis consistent with prior years.

1.1 Fixed Assets

Computer Equipment is depreciated over 3 years and the Trailer is depreciated over 5 years.

2. FIXED ASSETS

	Cost R	Accum Depr R	2014 Net Book Value R	2013 Net Book Value R
Computer Equipment	120,435	120,435	-	19,992
Trailer	46,268	24,952	21,316	30,568
	<u>166,703</u>	<u>145,387</u>	<u>21,316</u>	<u>50,560</u>
	2013 Net Book Value R	Additions/ (Disposals) R	2014 Net Book Value R	2014 Net Book Value R
Computer Equipment	19,992	2,455	(22,447)	-
Trailer	30,568	-	(9,252)	21,316
	<u>50,560</u>	<u>2,455</u>	<u>(31,699)</u>	<u>21,316</u>

3. NON-DISTRIBUTABLE RESERVE

	2014 R	2013 R
Opening Balance	350,899	376,990
Transferred from/(to) Income Statement	212,496	(26,091)
Closing Balance	<u>563,395</u>	<u>350,899</u>

MUIZENBERG IMPROVEMENT DISTRICT NPC

NOTES TO THE FINANCIAL STATEMENTS (Continued)

30 June 2014

4. SPECIFIC FUNDS	Received R	Spent R	Balance R
Environment Upliftment	15,000	-	15,000
Social Upliftment	13,000	2,754	10,246
Surfers' Circle	188,257	107,818	80,439
	<u>216,257</u>	<u>110,572</u>	<u>105,684</u>
5. SURPLUS OPERATIONAL PROJECTS		2014 R	2013 R
Beachfront		9,956	-
Community Art		9,942	-
Marketing		9,997	-
Social Development		19,869	-
		<u>49,764</u>	<u>-</u>

6. TAXATION

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

MUIZENBERG IMPROVEMENT DISTRICT NPC

CASH FLOW STATEMENT

For the year ended 30 June 2014

	Note	2014 R	2013 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated by Operations	1	369,616	17,121
Interest Received		7,850	6,982
Net Cash inflow from Operating Activities		<u>377,466</u>	<u>24,103</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to Fixed Assets		(2,455)	(8,268)
Net Cash outflow from Investing Activities		<u>(2,455)</u>	<u>(8,268)</u>
NET CASH FLOW		375,011	15,835
CASH AND CASH EQUIVALENTS at beginning of the year		306,414	290,579
CASH AND CASH EQUIVALENTS at end of the year		<u><u>681,425</u></u>	<u><u>306,414</u></u>

MUIZENBERG IMPROVEMENT DISTRICT NPC

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 June 2014

	2014 R	2013 R
1. CASH GENERATED BY OPERATIONS		
Net Profit/(Loss) before Taxation	318,180	(26,091)
Adjustment for:		
Interest Received	(7,850)	(6,982)
Depreciation	31,699	47,424
Operating Profit before Working Capital Changes	<u>342,029</u>	<u>14,351</u>
Working Capital Changes	27,587	2,770
Increase in Accounts Payable	<div>27,587</div>	<div>2,770</div>
Cash generated by Operations	<u><u>369,616</u></u>	<u><u>17,121</u></u>