

**MUIZENBERG IMPROVEMENT DISTRICT NPC**

**REG. NO : 2001/018176/08**

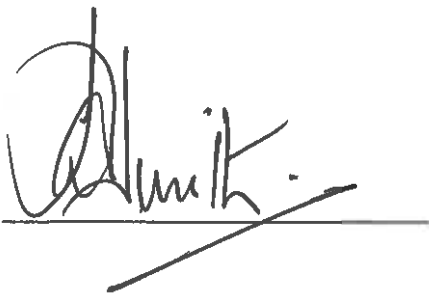
**ANNUAL FINANCIAL STATEMENTS**

**30 JUNE 2013**

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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:



A handwritten signature in black ink, appearing to read 'J. M. M. M.', is written over a horizontal line. A diagonal line extends from the bottom right of the signature.



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

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

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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 2013, 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 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 2013, 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*

LOW AND SCHREIBER  
REGISTERED AUDITORS, CAPE TOWN  
26 AUGUST 2013

# **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**

M Romyn	J Maxwell
E Milne	K Hamilton
S Frankal	G Hill
D Jones	A Dietrich (resigned December 2012)
J Annandale	
P Wright	
L Smith	
M Robinson (resigned May 2013)	

**MUIZENBERG IMPROVEMENT DISTRICT NPC**

**BALANCE SHEET**

At 30 June 2013

	Note	2013 R	2012 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	2	50,560	89,716
<b>CURRENT ASSETS</b>			
Cash Reserves		306,414	290,579
<b>TOTAL ASSETS</b>		<u>356,974</u>	<u>380,295</u>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Non-Distributable Reserves	3	350,899	376,990
<b>CURRENT LIABILITIES</b>			
Accounts Payable		6,075	3,305
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>356,974</u>	<u>380,295</u>

# MUIZENBERG IMPROVEMENT DISTRICT NPC

## INCOME STATEMENT

For the year ended 30 June 2013

	2013 R	2012 R
<b>INCOME</b>	<b>1,160,772</b>	<b>1,129,305</b>
Bad Debts Reserve Refunded	44,604	72,492
Donation – Trailer	-	38,000
Interest Received	6,982	8,455
Levies Received	1,109,186	1,010,358
<b>EXPENDITURE</b>	<b>1,186,863</b>	<b>1,163,795</b>
Accounting Fees	29,044	25,325
Advertising and Publications	29,436	26,632
Audit Fees	6,000	17,410
Bank Charges	7,386	5,582
Cleaning	201,087	182,869
Depreciation	47,424	46,925
Improvement Projects	71,244	123,611
Insurance	4,886	2,756
Meeting Expenses	3,402	2,869
Miscellaneous	7,272	3,159
Rental	15,246	13,500
Salaries and Wages	150,041	125,268
Security Services	580,906	565,207
Stationery, Postage and Printing	8,552	5,906
Telephone and Computer Expenses	22,978	10,934
Travelling	1,959	5,842
<b>NET LOSS FOR THE YEAR</b>	<b>(26,091)</b>	<b>(34,490)</b>
<b>TRANSFERRED FROM NON-DISTRIBUTABLE RESERVE</b>	<b>26,091</b>	<b>34,490</b>
	<b>-</b>	<b>-</b>

# MUIZENBERG IMPROVEMENT DISTRICT NPC

## NOTES TO THE FINANCIAL STATEMENTS

30 June 2013

### 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	2013 Net Book Value R	2012 Net Book Value R
Computer Equipment	117,980	97,988	19,992	59,316
Trailer	46,268	15,700	30,568	30,400
	<u>164,248</u>	<u>113,688</u>	<u>50,560</u>	<u>89,716</u>
	2012 Net Book Value R	Additions/ (Disposals) R	Depr R	2013 Net Book Value R
Computer Equipment	59,316	-	(39,324)	19,992
Trailer	30,400	8,268	(8,100)	30,568
	<u>89,716</u>	<u>8,268</u>	<u>(47,424)</u>	<u>50,560</u>

### 3. NON-DISTRIBUTABLE RESERVE

	2013 R	2012 R
Opening Balance	376,990	411,480
Transferred to Income Statement	(26,091)	(34,490)
Closing Balance	<u>350,899</u>	<u>376,990</u>

### 4. 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 2013

	Note	2013 R	2012 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated by Operations	1	17,121	24,224
Interest Received		6,982	8,455
Net Cash inflow from Operating Activities		<u>24,103</u>	<u>32,679</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to Fixed Assets		(8,268)	(38,000)
Net Cash outflow from Investing Activities		<u>(8,268)</u>	<u>(38,000)</u>
<b>NET CASH FLOW</b>		15,835	(5,321)
<b>CASH AND CASH EQUIVALENTS</b> at beginning of the year		290,579	295,900
<b>CASH AND CASH EQUIVALENTS</b> at end of the year		<u>306,414</u>	<u>290,579</u>

**MUIZENBERG IMPROVEMENT DISTRICT NPC**

**NOTES TO THE CASH FLOW STATEMENT**

For the year ended 30 June 2013

	2013	2012
	R	R
<b>1. CASH GENERATED BY OPERATIONS</b>		
Net Loss before Taxation	(26,091)	(34,490)
Adjustment for:		
Interest Received	(6,982)	(8,455)
Depreciation	47,424	46,925
Operating Profit before Working Capital Changes	<u>14,351</u>	<u>3,980</u>
Working Capital Changes	2,770	20,244
Decrease in Accounts Receivable	-	11,110
Decrease in Accounts Payable	2,770	9,134
Cash generated by Operations	<u>17,121</u>	<u>24,224</u>