

**SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS
AND RESIDENTS ASSOCIATION**
(A body of persons as members of a Constitution)
Annual Financial Statements
for the year ended 31 December 2018



SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2018

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Annual Financial Statements for the year ended 31 December 2018

REPORT OF FACTUAL FINDINGS

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES

To represent the Sea Point, Three Anchor Bay, Fresnaye and Bantry Bay Ratepayers and Residents within the area of operation. Further adding to this, points 3.2 to 3.7 of the constitution.

COMMITTEE MEMBERS

Ari Vayanos
David Rose
Janey Ball (Resigned 17/07/2018)
Juanita Levetan
Marco van Embden (Chair person)
Ori Saban
Paul Berman (Resigned 01/07/2018)
Suzanne Kempen
Victor Morris

PHYSICAL ADDRESS

The Equinox, suite 303
156 Main Road
Sea Point
8001

DOMICILIUM CITANDI ET EXECUTANDI

The Equinox, suite 303
156 Main Road
Sea Point
8001

BANKERS

Standard Bank

AUDITORS

Audprop Incorporated

INCOME TAX REGISTRATION NUMBER

9355/962/18/5



REPORT OF THE INDEPENDENT AUDITOR

TO SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

We have audited the annual financial statements of Sea Point, Fresnaye and Bantry Bay Ratepayers and Residents Association which comprises the Committee members' report, the statement of financial position as at 31 December 2018, the statement of detailed comprehensive income and expenditure, the statement of funds and reserves and statement of cash flows for the year then ended, a summary of significant policies and other explanatory notes.

Committee members' Responsibility for the Financial Statements

The Committee members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and in the manner required by the constitution of the association. 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.

Auditor's responsibility

Our responsibility is to express an opinion on these annual 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 annual financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual 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 annual 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 the Committee members, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion

In our opinion the annual financial statements fairly present, in all material respects, the financial position of the association at 31 December 2018 and the results of its operations and cash flows for the year ended in accordance with IFRS for SME's and in the manner required by the constitution of the association.

Emphasis of matter

Without qualifying our opinion, we draw attention to the following:

Reserves and funds

We cannot comment on the adequacy of the reserves and funds that are set a side for the future maintenance of areas that are of concern to, or the responsibility of, the residents association.

Accounting and Secretarial duties

With the consent of the Committee members we have performed certain accounting and secretarial duties, which includes the preparation of the financial statements.



Audprop Incorporated
Registered Auditor
Per: Niel Liebenberg

24 April 2019

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E-Mail: neil@audprop.co.za
Cape Town/George/Port Elizabeth/Pretoria

Audprop Incorporated IRBA registration number: ME 812018
Company registration number: 2009/007296/21
Director Neil Liebenberg CA(SA) and RA

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2018

COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL

The committee members are required by the constitution of the association, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the committee members' responsibility to ensure that the annual financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS for SME's and the constitution of the association. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS for SME's and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The committee members acknowledge that they are ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the committee members to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. These standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The committee members are of the opinion, based on the information and explanations given by the committee members and management structures, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable and not absolute, assurance against material misstatement or loss.

The committee members have reviewed the association's cash flow forecast for the year to 31 December 2019 and in light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

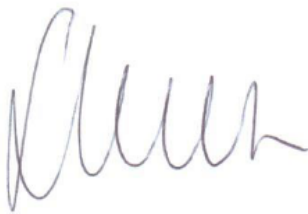
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Annual Financial Statements for the year ended 31 December 2018

COMMITTEE MEMBERS' RESPONSIBILITIES AND APPROVAL

The external auditors are responsible for independently reviewing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on page 3 - 4.

The annual financial statements have been prepared on the going concern basis and subject to no material changes to the present financial status, were approved by the committee members and were signed on their behalf by:



Committee member

23/04/2019

Date



Committee member

23/04/2019

Date

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2018

COMMITTEE MEMBERS' REPORT

The committee members present their report for the year ended 31 December 2018. This report forms part of the audited annual financial statements.

1. Review of activities

Main business and operations

The principal activity of the association is to represent the sea point, three anchor bay, fresnaye and bantry bay ratepayers and residents within the area of operation. Further adding to this, points 3.2 to 3.7 of the constitution and there were no major changes during the year. The operating results and state of affairs of the association are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

The committee members are not aware of any matter or circumstances arising since the end of the financial year to the date of this report, which requires additional reporting, explanations or which would lead to an adjustment of the financial results as presented.

4. Committee members' interest in contracts

To the best of our knowledge none of the committee members had any interest in contracts entered into during the period under review and no remuneration was paid to any Committee member.

5. Committee members

The committee members of the association during the year and to the date of this report are as follows:

Ari Vayanos

David Rose

Janey Ball (Resigned 17/07/2018)

Juanita Levetan

Marco van Embden (Chair person)

Ori Saban

Paul Berman (Resigned 01/07/2018)

Suzanne Kempen

Victor Morris

6. Auditors

Audprop Incorporated was the auditor for the year under review and their re-appointment is dependent on a resolution taken to that effect by the members at the forthcoming annual general meeting.

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements as at 31 December 2018

STATEMENT OF FINANCIAL POSITION

Figures in R	Note(s)	2018	2017
Assets			
Non-Current Assets			
Fixed assets	3	16,359	48,564
		16,359	48,564
Current Assets			
Contributions in arrears	4	25,035	41,361
Cash held for Planning committee		28,096	-
Cash and cash equivalents	5	152,087	128,492
		205,218	169,853
Total Assets		221,577	218,417
Funds and Liabilities			
Reserves and Funds			
Non-distributable reserves		1,596	1,596
Contingency fund		51,958	124,491
		53,554	126,087
Current Liabilities			
Accounts payable	6	77,004	31,630
Loan payable	7	-	10,810
Contributions in advance	8	62,923	49,890
Planning committee cash payable		28,096	-
		168,023	92,330
Total Funds and Liabilities		221,577	218,417

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2018

STATEMENT OF DETAILED COMPREHENSIVE INCOME AND EXPENDITURE

Figures in R	2018	2017
Membership contribution		
Bodies Corporate subscriptions	1,100	40,275
Private subscriptions	25,950	13,450
Security and cleaning	1,536,287	1,245,525
	1,563,337	1,299,250
Other Income		
Donations	11,146	1,600
Interest received from investments	6,267	4,281
Sponsorships received	366,650	490,400
	384,063	496,281
Total Income	1,947,400	1,795,531

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Annual Financial Statements for the year ended 31 December 2018

STATEMENT OF DETAILED COMPREHENSIVE INCOME AND EXPENDITURE

Figures in R	2018	2017
Expenditure		
Advertising	44,952	5,365
Audit fees	4,090	4,080
Audit fees - voting	4,878	-
Bank charges	5,127	4,187
Cleaning services	299,095	223,078
Computer expenses	825	-
Consulting fees	2,156	-
Depreciation	32,205	33,232
Insurance	11,435	10,457
Interest paid	-	958
Internet expenses	2,170	3,871
Lease rental on operating lease	36,000	-
Legal fees	7,450	25,352
Meeting costs	37,655	2,929
Postage	105	-
Printing and stationery	11,762	2,755
Rental Segway	-	38,475
Repairs and maintenance	9 31,497	30,645
Salaries	10 286,843	265,439
Secretarial fees	1,840	4,213
Security	1,132,251	1,030,508
Small assets	52,604	25,000
Staff training	1,400	-
Staff welfare	1,612	1,206
Telephone and fax	10,231	7,031
Web design	1,750	1,250
Total Expenditure	2,019,933	1,720,030
(Deficit)/ Surplus	(72,533)	75,501

SEA POINT, FRESNAYE AND BANTRY BAY RATEPAYERS AND RESIDENTS ASSOCIATION

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Annual Financial Statements for the year ended 31 December 2018

STATEMENT OF CHANGES IN FUNDS AND RESERVES

Figures in R	Non-distributable reserves	Contingency fund	Total
Balance at 1 January 2015	1,596	48,990	50,586
Surplus/(Deficit) for the year	-	75,501	75,501
Balance at 31 December 2017	1,596	124,491	126,087
Balance at 1 January 2018	1,596	124,491	126,087
Surplus/(Deficit) for the year	-	(72,533)	(72,533)
Balance at 31 December 2018	1,596	51,958	53,554

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STATEMENT OF CASH FLOWS

Figures in R	Note(s)	2018	2017
Cash flows from operating activities			
(Deficit)/ Surplus for the year		(72,533)	75,501
<i>Adjustments for:</i>			
Interest paid		-	958
Depreciation		32,205	33,232
Interest received from investments		(6,267)	(4,281)
Increase in accounts receivable		(11,770)	(4,153)
Increase in accounts payable		86,503	34,854
Cash generated by operating activities		28,138	136,111
Interest received from investments		6,267	4,281
Interest paid		-	(958)
Net cash from operating activities		34,405	139,434
Cash flows from financing activities			
Loans repaid		(10,810)	(36,697)
Net cash utilised in financing activities		(10,810)	(36,697)
Increase in cash and cash equivalents		23,595	102,737
Cash and cash equivalents at beginning of the year		128,492	25,755
Cash and cash equivalents at end of the year	5	152,087	128,492

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2018

2017

1. General information

Sea Point, Fresnaye and Bantry Bay Ratepayers and Residents Association is a association in South Africa. The principal activities are to represent the sea point, three anchor bay, fresnaye and bantry bay ratepayers and residents within the area of operation. further adding to this, points 3.2 to 3.7 of the constitution.

2. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with the IFRS for SME's issued by the International Accounting Standards Board (IASB). They are presented in South African Rands. All expenses applicable to the common property and administration are recovered from the various members by means of a monthly contribution in terms of the rules of the association and are in accordance with the constitution of the association.

2.1 Revenue recognition

The Association, through the Executive Committee, shall be empowered to raise funds from members by way of subscriptions and/or other methods so approved in order to conduct the affairs of the Association on a competent and sound financial basis as per the constitution of the association.

2.2 Income tax

The association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, Act 58 of 1962 and the receipts and accruals are exempt from income in terms of section 10(1)(cN) of the Act.

Donations by or to the public benefit organisation are exempt from donations tax in terms of section 56(1) of the Act and bequests or accruals from the estates of deceased persons in favour of the public benefit organisation are exempt from the payment of estate duty in terms of section 4(h) of the Estate Duty Act, Act 45 of 1955.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R

2018

2017

2.3 Property, plant and equipment

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The depreciation rates are as follows:

Computer Equipment	33.33%
Other Vehicles - Ninebot	33.33%

3. Fixed assets

	Cost	Accumulated depreciation	2018 Carrying value	Cost	Accumulated depreciation	2017 Carrying value
<i>Owned assets</i>						
Office equipment	1	-	1	1	-	1
Computer equipment	10,618	10,618	-	10,618	8,106	2,512
Other vehicles - Security patrollers	89,087	72,729	16,358	89,087	43,036	46,051
	99,706	83,347	16,359	99,706	51,142	48,564

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2018 Carrying value at end of year
<i>Owned assets</i>					
Office equipment	1	-	-	-	1
Computer equipment	2,512	-	-	(2,512)	-
Other vehicles - Security patrollers	46,051	-	-	(29,693)	16,358
	48,564	-	-	(32,205)	16,359

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R		2018	2017				
4. Contributions in arrears							
	120+	90Days	60Days	30Days	Current	Total	
	6,600	-	-	1,750	16,685	25,035	41,361
5. Cash and cash equivalents							
Standard Bank current account						21,672	11,236
Standard Bank call account						130,415	117,256
						152,087	128,492
6. Accounts payable							
		90Days	60Days	30Days	Current	Total	
Hetzner		-	-	-	149	149	-
Lenny Zane		-	-	-	-	-	2,270
Social Media Funding		-	-	-	2,000	2,000	-
Straatwerk - OPHELP projekte		-	-	-	38,714	38,714	23,600
Printing		-	-	-	825	825	-
J Booysen		-	-	-	25,874	25,874	-
Sars PAYE		-	-	-	6,790	6,790	5,760
Telkom		-	-	-	352	352	-
UTRAKIT		-	-	-	2,300	2,300	-
		-	-	-	77,004	77,004	31,630
7. Loans payable							
Loan payable - short term						-	10,810
						-	10,810
8. Contributions in advance							
	120+	90Days	60Days	30Days	Current	Total	
	-	-	-	-	62,923	62,923	49,890
9. Repairs and maintenance							
Patroller						20,019	12,587
Tracking						6,564	18,058
						26,583	30,645

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R	2018	2017
10. Salaries		
Field worker	35,674	51,620
Coordinator	224,535	213,819
Social intervention	26,634	-
	286,843	265,439