

Kalk Bay and St James SRA NPC
(Registration number 2014/187375/08)
Annual Financial Statements
for the year ended 30 June 2016
AMF & Associates
Chartered Accountants (S.A.)

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Published 17 August 2016

Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To enhance and supplement municipal and public services provided in the Special Rating Area of Kalk Bay and St James.
Directors	K A Mc Clarty A D Paige J A Russell A F Stafford E B Stephen A Trimmel G E Durrant P J McGilvray
Registered office	60 Boyes Drive St James 7945
Business address	Kalk Bay Community Centre Main Road Kalk Bay 7975
Postal address	60 Boyes Drive St James 7945
Auditors	AMF & Associates Chartered Accountants (S.A.)

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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The following supplementary information does not form part of the annual financial statements and is unaudited:	
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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors 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. The 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, 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.

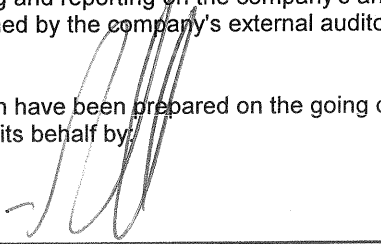
The directors have reviewed the company's cash flow forecast for the year to 30 June 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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


The annual financial statements set out on pages 5 to 13, which have been prepared on the going concern basis, were approved by the board on 17 August 2016 and were signed on its behalf by:



A D Paige



J A Russell



E B Stephen

Cape Town

17 August 2016

Independent Auditors' Report

To the members of Kalk Bay and St James SRA NPC

We have audited the annual financial statements of Kalk Bay and St James SRA NPC, as set out on pages 6 to 12, which comprise the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' 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 management, 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 audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Kalk Bay and St James SRA NPC as at 30 June 2016, and its financial performance and its 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 71 of 2008.

Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 30 June 2016, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

AMF & Associates
F J Oeschger

17 August 2016
Cape Town

Independent Auditors' Report

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AMF & Associates
F J Oeschger

17 August 2016
Cape Town

Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2016

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Kalk Bay and St James SRA NPC for the year ended 30 June 2016.

1. Nature of business

Kalk Bay and St James SRA NPC was incorporated in South Africa. The company operates in South Africa.

The core nature of the company's business is the provision of community based private urban management within the public areas of the Special Rating Area of Kalk Bay and St James by enhancing and supplementing municipal and public services provided in the Special Rates Area of Kalk Bay and St James.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

The directors in office at the date of this report are as follows:

Directors

K A Mc Clarty
A D Paige
J A Russell
A F Stafford
E B Stephen
A Trimmel
G E Durrant
P J McGilvray

4. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Auditors

At the AGM, the members will be requested to reappoint AMF & Associates as the independent external auditors of the company and to confirm Mr F J Oeschger as the designated lead audit partner for the 2016 financial year.

7. Secretary

The company secretary is E B Stephen.

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Annual Financial Statements for the year ended 30 June 2016

Statement of Financial Position as at 30 June 2016

Figures in Rand	Note(s)	2016	2015
Assets			
Current Assets			
Accounts receivable		286	-
Cash and cash equivalents	2	436,669	348,204
		436,955	348,204
Total Assets		436,955	348,204
Equity and Liabilities			
Equity			
Retained income		426,906	336,161
Liabilities			
Current Liabilities			
Trade and other payables	3	10,049	12,043
Total Equity and Liabilities		436,955	348,204

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Revenue	4	1,246,450	1,187,280
Core business expenses	5	(983,762)	(708,586)
Gross income		262,688	478,694
Other income		21,000	-
Operating expenses		(214,437)	(149,502)
Operating income		69,251	329,192
Investment revenue	6	21,494	6,969
Nett income for the year		90,745	336,161
Other comprehensive income		-	-
Total comprehensive income for the year		90,745	336,161

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Annual Financial Statements for the year ended 30 June 2016

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Profit for the year	336,161	336,161
Other comprehensive income	-	-
Total comprehensive income for the year	336,161	336,161
Balance at 01 July 2015	336,161	336,161
Surplus for the year	90,745	90,745
Other comprehensive income	-	-
Total comprehensive income for the year	90,745	90,745
Balance at 30 June 2016	426,906	426,906

Note(s)

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Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
Cash flows from operating activities			
Cash receipts from customers		1,246,450	1,187,280
Cash paid to suppliers and employees		(1,179,479)	(846,045)
Cash generated from operations	7	66,971	341,235
Interest income		21,494	6,969
Net cash from operating activities		88,465	348,204
Total cash movement for the year		88,465	348,204
Cash at the beginning of the year		348,204	-
Total cash at end of the year	2	436,669	348,204

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Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.1 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable in respect of a special rating levy receivable from the City of Cape Town nett of value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

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Notes to the Annual Financial Statements

Figures in Rand	2016	2015
2. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	7,177	4,621
Bank balances	119,067	60,927
Short-term deposits	310,425	282,656
	436,669	348,204
R254 888 of the short term deposit is required as a reserve to cover two months revenue. This is a requirement of the City of Cape Town.		
3. Trade and other payables		
Trade payables	1	2
VAT	10,048	12,041
	10,049	12,043
4. Revenue		
Special Rating Levy	1,246,450	1,187,280
5. Core business expenses		
Cleaning Services	84,209	39,610
Environmental upgrading	9,785	11,456
Security services	769,011	620,020
Social upliftment	68,200	37,500
	931,205	708,586
Operational Projects		
Cleansing Projects	5,000	-
Environmental Upgrading Project	7,339	-
Signage	7,586	-
Social Upliftment Fund	14,240	-
Social Upliftment Project	18,392	-
	52,557	-
	983,762	708,586
6. Investment revenue		
Interest revenue		
Interest on investments	21,494	6,969
7. Cash generated from operations		
Profit before taxation	90,745	336,161
Adjustments for:		
Interest received - investment	(21,494)	(6,969)
Changes in working capital:		
Accounts receivable	(286)	-
Trade and other payables	(1,994)	12,043
	66,971	341,235

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Notes to the Annual Financial Statements

Figures in Rand

2016

2015

8. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

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Annual Financial Statements for the year ended 30 June 2016

Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
Revenue			
Special rating area levies		1,246,450	1,187,280
Cost of services			
Core business expenses		(983,762)	(708,586)
Gross income		262,688	478,694
Other income			
Martin East		21,000	-
Interest received	6	21,494	6,969
		42,494	6,969
Operating expenses			
Accounting fees		10,035	8,847
Advertising		5,145	-
Auditors remuneration		9,500	-
Bank charges		3,912	3,496
Capital expenditure on small assets		-	789
Computer expenses		2,308	4,303
Employee costs		135,479	82,916
Insurance		2,400	2,105
Marketing and promotions		807	9,454
Printing and stationery		3,468	8,158
Rent		4,800	3,600
Security		21,000	-
Seed capital refund		328	18,999
Sundry expenses		4,305	1,356
Telephone and fax		10,950	5,479
		214,437	149,502
Surplus for the year		90,745	336,161