

Kalk Bay and St James SRA NPC  
(Registration number 2014/187375/08)  
Annual Financial Statements  
for the year ended 30 June 2015  
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 11 August 2015

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## General Information

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

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Index

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

<b>Index</b>	<b>Page</b>
Directors' Responsibilities and Approval	3
Independent Auditors' Report	4
Directors' Report	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Accounting Policies	10
Notes to the Annual Financial Statements	11
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	12

### Level of assurance

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

### Published

11 August 2015

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Directors' Responsibilities and Approval

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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 2016 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 12, which have been prepared on the going concern basis, were approved by the board on 11 August 2015 and were signed on its behalf by:

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**K F Leinberger**

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**K A Mc Clarty**

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**A D Paige**

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**J A Russell**

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**A F Stafford**

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**E B Stephen**

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**A Trimmel**

**Cape Town**

**11 August 2015**

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# Independent Auditors' Report

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## 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 11, which comprise the statement of financial position as at 30 June 2015, 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 2015, 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 2015, 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.

**F J Oeschger**  
Partner

**11 August 2015**  
Cape Town

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Directors' Report

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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 2015.

### 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 Rates 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.

### 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:

<b>Directors</b>	<b>Changes</b>
K F Leinberger	Appointed 22 September 2014
K A Mc Clarty	Appointed 22 September 2014
A D Paige	Appointed 22 September 2014
J A Russell	Appointed 22 September 2014
A F Stafford	Appointed 22 September 2014
E B Stephen	Appointed 22 September 2014
A Trimmel	Appointed 22 September 2014

### 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.

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Statement of Financial Position as at 30 June 2015

Figures in Rand	Note(s)	2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2	348,204
<b>Total Assets</b>		<b>348,204</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Retained income		336,161
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	3	12,043
<b>Total Equity and Liabilities</b>		<b>348,204</b>

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2015
Revenue	4	1,187,280
Core business expenses	5	(708,586)
<b>Gross income</b>		<b>478,694</b>
Operating expenses		(149,502)
<b>Operating income</b>		<b>329,192</b>
Investment revenue	6	6,969
<b>Nett income for the year</b>		<b>336,161</b>
Other comprehensive income		-
<b>Total comprehensive income for the year</b>		<b>336,161</b>



# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Surplus for the year	336,161	336,161
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>336,161</b>	<b>336,161</b>
<b>Balance at 30 June 2015</b>	<b>336,161</b>	<b>336,161</b>

Note(s)

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Statement of Cash Flows

Figures in Rand	Note(s)	2015
<b>Cash flows from operating activities</b>		
Cash receipts from customers		1,187,280
Cash paid to suppliers and employees		(846,045)
Cash generated from operations	7	341,235
Interest income		6,969
<b>Net cash from operating activities</b>		<b>348,204</b>
<b>Total cash movement for the year</b>		<b>348,204</b>
<b>Total cash at end of the year</b>	2	<b>348,204</b>

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Accounting Policies

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### 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.

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Notes to the Annual Financial Statements

Figures in Rand

2015

### 2. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4,621
Bank balances	60,927
Short-term deposits	282,656
	<u>348,204</u>

R240 000 of the short term deposit is required as a reserve to cover two months revenue. This is a requirement indicated by the City of Cape Town.

### 3. Trade and other payables

Trade payables	2
VAT	12,041
	<u>12,043</u>

### 4. Revenue

Special Rating Levy	<u>1,187,280</u>
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### 5. Core business expenses

Cleaning Services	39,610
Environmental upgrading	11,456
Security services	620,020
Social upliftment	37,500
	<u>708,586</u>

### 6. Investment revenue

<b>Interest revenue</b>	
Interest on investments	<u>6,969</u>

### 7. Cash generated from operations

Profit before taxation	336,161
<b>Adjustments for:</b>	
Interest received - investment	(6,969)
<b>Changes in working capital:</b>	
Trade and other payables	12,043
	<u>341,235</u>

### 8. Directors' remuneration

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

### 9. Comparative figures

No comparative figures have been presented as these are the first annual financial statements of the company.

# Kalk Bay and St James SRA NPC

(Registration number 2014/187375/08)

Annual Financial Statements for the year ended 30 June 2015

## Detailed Income Statement

Figures in Rand	Note(s)	2015
<b>Revenue</b>		
Special rating area levies		1,187,280
<b>Cost of services</b>		
Core business expenses		(708,586)
<b>Gross income</b>		<b>478,694</b>
<b>Other income</b>		
Interest received	6	6,969
<b>Operating expenses</b>		
Accounting fees		8,847
Bank charges		3,496
Capital expenditure on small assets		789
Computer expenses		4,303
Employee costs		82,916
Insurance		2,105
Marketing and promotions		9,454
Printing and stationery		8,158
Rent		3,600
Seed capital refund		18,999
Sundry expenses		1,356
Telephone and fax		5,479
		<b>149,502</b>
<b>Surplus for the year</b>		<b>336,161</b>