

**Wynberg Improvement District NPC
(Registration number 2000/021770/08)
Annual financial statements
for the year ended 30 June 2017**

These annual financial statements were prepared by:
Alan Daly
CA (SA)

Bernard Shaw Ouditeure Inc.
Chartered Accountants (S.A.)
Registered Auditors

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

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	South Africa
Directors	Pamela Anne Farrell Graham John Flude Ian William Meredith Hurst Michael Jonathan Smith
Registered office	14 Piers Road Wynberg 7800
Auditors	Bernard Shaw Ouditeure Inc. Chartered Accountants (S.A.) Registered Auditors
Tax reference number	9287 164 14 0

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Index

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

Index	Page
Directors' Responsibilities and Approval	3
Independent Auditors' Report	4 - 5
Directors' Report	6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Annual Financial Statements	13 - 17

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

Detailed Income Statement	18
---------------------------	----

Level of assurance

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

Preparer

Alan Daly
CA (SA)

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

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.

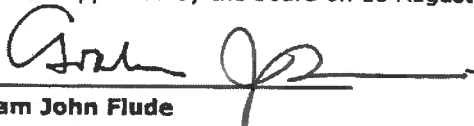
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal 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 2018 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 reviewing 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 6 to 18, which have been prepared on the going concern basis, were approved by the board on 10 August 2017 and were signed on its behalf by:



Graham John Flude

Independent Auditors' Report

To the shareholder of Wynberg Improvement District NPC

We have audited the annual financial statements of Wynberg Improvement District NPC, as set out on pages 7 to 17, which comprise the statement of financial position as at 30 June 2017, 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 Wynberg Improvement District NPC as at 30 June 2017, 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 matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 18 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Independent Auditors' Report

Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 30 June 2017, 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.



Bernard Shaw Ouditeure Inc.
Registered Auditors

CR Laubscher
Date:12/08/2017.....
STELLENBOSCH

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Directors' Report

The directors submit their report for the year ended 30 June 2017.

1. Review of activities

Main business and operations

The company provides top up services to those supplied by the City of Cape Town and operates only in Wynberg, Cape Town.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net profit of the company was R 369 599 (2016: profit R 74 216), after taxation of R - (2016: R -).

Registered office
14 Piers Road
Wynberg
7800

2. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements.

3. Directors' interest in contracts

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

4. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the year under review.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

Name
Pamela Anne Farrell
Graham John Flude
Ian William Meredith Hurst
Michael Jonathan Smith

6. Auditors

Bernard Shaw Ouditeure Inc. continued as auditors of the company for 2017.

7. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008.

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Financial Position as at 30 June 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Property, plant and equipment	2	2 163	12 675
Current Assets			
Trade and other receivables	3	22 610	9 120
Cash and cash equivalents	4	771 257	408 952
		793 867	418 072
Total Assets		796 030	430 747
Equity and Liabilities			
Equity			
Retained income		763 086	393 487
Liabilities			
Current Liabilities			
Operating lease liability		7 415	7 901
Trade and other payables	5	25 529	29 359
		32 944	37 260
Total Equity and Liabilities		796 030	430 747

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	6	4 274 500	3 708 083
Other income		142 362	40 000
Operating expenses		(4 078 125)	(3 691 962)
Operating profit	7	338 737	56 121
Investment revenue	8	30 862	18 707
Finance costs	9	-	(612)
Profit for the year		369 599	74 216
Other comprehensive income		-	-
Total comprehensive income for the year		369 599	74 216

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2015	319 271	319 271
Profit for the year	74 216	74 216
Other comprehensive income	-	-
Total comprehensive income for the year	74 216	74 216
Balance at 01 July 2016	393 487	393 487
Profit for the year	369 599	369 599
Other comprehensive income	-	-
Total comprehensive income for the year	369 599	369 599
Balance at 30 June 2017	763 086	763 086

Note(s)

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash receipts from customers		4 307 372	3 708 083
Cash paid to suppliers and employees		(3 975 929)	(3 624 555)
Cash generated from operations	12	331 443	83 528
Interest income		30 862	18 707
Finance costs		-	(612)
Net cash from operating activities		362 305	101 623
Total cash movement for the year		362 305	101 623
Cash at the beginning of the year		408 952	307 329
Total cash at end of the year	4	771 257	408 952

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

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 Rand.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Furniture and fixtures	6 years
Trailer	5 years
Office equipment	5 years
IT equipment	3 years
Signage	10 years
Security unit	5 years
Assets under R7,000	1 year

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

Debt instruments, as defined in the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.5 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

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

The company receives levy income from the City of Cape Town. The company does not have access to or control over this system, therefore only levies received from the City of Cape Town are accounted for as income.

1.6 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand 2017 2016

2. Property, plant and equipment

	2017			2016		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Furniture and fixtures	10 593	(10 588)	5	10 593	(10 241)	352
Trailer	11 700	(9 555)	2 145	11 700	(7 215)	4 485
Office equipment	6 403	(6 398)	5	6 403	(6 172)	231
IT equipment	18 071	(18 065)	6	18 071	(18 065)	6
Signage	6 262	(6 261)	1	6 262	(6 261)	1
Security unit	38 000	(37 999)	1	38 000	(30 400)	7 600
Total	91 029	(88 866)	2 163	91 029	(78 354)	12 675

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Total
Furniture and fixtures	352	(347)	5
Trailer	4 485	(2 340)	2 145
Office equipment	231	(226)	5
IT equipment	6	-	6
Signage	1	-	1
Security unit	7 600	(7 599)	1
	12 675	(10 512)	2 163

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Total
Furniture and fixtures	1 059	(707)	352
Trailer	6 825	(2 340)	4 485
Office equipment	788	(557)	231
IT equipment	3 236	(3 230)	6
Signage	1	-	1
Security unit	15 200	(7 600)	7 600
	27 109	(14 434)	12 675

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

3. Trade and other receivables

Prepayments - Rent, electricity and water	13 490	-
Deposits	9 120	9 120
	22 610	9 120

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
4. Cash and cash equivalents (continued)		
Bank balances	33 278	131 048
Short term deposits	737 979	277 904
	771 257	408 952
5. Trade and other payables		
VAT	22 238	25 658
Accruals	3 291	3 701
	25 529	29 359
6. Revenue		
Levies received	4 274 500	3 708 083
7. Operating profit		
Operating profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	103 885	104 461
Depreciation on property, plant and equipment	10 512	14 435
Employee costs	673 990	647 734
8. Investment revenue		
Interest revenue		
Bank	30 862	18 707
9. Finance costs		
Bank	-	612
10. Taxation		
Receipts and accruals of the company are exempt from income tax as regulated by the Minister.		
11. Auditors' remuneration		
Fees	15 000	21 000

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
12. Cash generated from operations		
Profit before taxation	369 599	74 216
Adjustments for:		
Depreciation and amortisation	10 512	14 435
Interest received	(30 862)	(18 707)
Finance costs	-	612
Movements in operating lease assets and accruals	(486)	7 244
Other rounding	-	(1)
Changes in working capital:		
Trade and other receivables	(13 490)	-
Trade and other payables	(3 830)	5 729
	331 443	83 528

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

13. Categories of financial instruments

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2017						
Assets						
Non-Current Assets						
Property, plant and equipment	2	-	-	-	2 163	2 163
Current Assets						
Trade and other receivables	3	9 120	-	-	13 490	22 610
Cash and cash equivalents	4	771 257	-	-	-	771 257
		780 377	-	-	13 490	793 867
Total Assets		780 377	-	-	15 653	796 030
Equity and Liabilities						
Equity						
Equity Attributable to Equity Holders of Parent:						
Retained income		-	-	-	763 086	763 086
Total Equity		-	-	-	763 086	763 086
Liabilities						
Current Liabilities						
Operating lease liability		-	-	7 415	-	7 415
Trade and other payables	5	-	47 760	(22 238)	-	25 522
		-	47 760	(14 823)	-	32 937
Total Liabilities		-	47 760	(14 823)	-	32 937
Total Equity and Liabilities		-	47 760	(14 823)	763 086	796 023

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2016						
Assets						
Non-Current Assets						
Property, plant and equipment	2	-	-	-	12 675	12 675
Current Assets						
Trade and other receivables	3	9 120	-	-	-	9 120
Cash and cash equivalents	4	408 952	-	-	-	408 952
		418 072	-	-	-	418 072
Total Assets		418 072	-	-	12 675	430 747
Equity and Liabilities						
Equity						
Equity Attributable to Equity Holders of Parent:						
Retained income		-	-	-	393 487	393 487
Total Equity		-	-	-	393 487	393 487
Liabilities						
Current Liabilities						
Operating lease liability		-	-	7 901	-	7 901
Trade and other payables	5	-	55 012	(25 658)	-	29 354
		-	55 012	(17 757)	-	37 255
Total Liabilities		-	55 012	(17 757)	-	37 255
Total Equity and Liabilities		-	55 012	(17 757)	393 487	430 742

Wynberg Improvement District NPC

(Registration number 2000/021770/08)

Annual Financial Statements for the year ended 30 June 2017

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Revenue			
Levy income		4 274 500	3 708 083
Other income			
Management Fees - Rotary Club Parking		96 000	40 000
Retention fund		46 362	-
Interest received	8	30 862	18 707
		173 224	58 707
Operating expenses			
Accounting fees		12 000	16 833
Advertising and marketing		29 957	46 118
Auditors' remuneration	11	15 000	21 000
Bank charges		4 435	3 927
Cleaning		754 945	675 736
Computer expenses		1 750	2 422
Depreciation, amortisation and impairments		10 512	14 435
Employee costs		673 990	647 734
General expenses		3 684	1 513
Insurance		11 163	9 555
Lease rentals on operating lease		103 885	104 461
Motor vehicle expenses		1 233	3 174
Postage		333	-
Printing and stationery		3 348	3 144
Repairs and maintenance		2 939	3 919
Security		2 304 591	2 006 206
Social upliftment		76 833	71 690
Staff welfare		6 442	12 275
Subscriptions		1 814	1 501
Telephone and fax		25 299	23 612
Travel - local		-	661
Uniforms		7 638	-
Utilities		25 254	22 046
Workmen's compensation		1 080	-
		4 078 125	3 691 962
Operating profit	7	369 599	74 828
Finance costs	9	-	(612)
Profit for the year		369 599	74 216
Other comprehensive income		-	-
Total comprehensive income for the year		369 599	74 216