

UMDLOTI IMPROVEMENT PROJECT NPC
(Incorporated in the Republic of South Africa)
Reg.No. 2012/114094/08

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR
ENDING 28 FEBRUARY 2017

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DIRECTORS' RESPONSIBILITIES.

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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.

The external auditors are engaged to express an independent opinion on the financial statements and the fair presentation thereof.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small & Medium-sized Entities and in the manner required by the Companies Act 71 of 2008.

The directors acknowledge 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. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to prevent and detect any misstatement or loss.

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.

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

DIRECTORS' REPORT

The directors submit their report for the year ended 28 February 2017 , as follows :

1. Review of Activities

The company is registered with the Companies and Intellectual Properties Commission as a Non-Profit Company . Levies are collected from Umdloti property residents for the improvement and security protection of these residents.

2. Events after the reporting period.

The directors are not aware of any matter or circumstance arising since the end of the financial year , 28 February 2017.

3. Authorised and Issued share capital.

The company is registered as a Non-Profit Company and therefore has no share capital.

4. Directors and Secretary

The directors of the company as at 28 February 2017, are :

Gert Waldemar Muller
Donald John Smith
Alecia Pienaar
Pierre de Villiers van Zyl

No company secretary has been appointed. Mr Keith George Anderson and Mr Shaun Steyn resigned as directors during the year under review.

5. Auditors

Viljoen & Partners will continue in office in accordance with Para 90(6) of the Companies' Act 71 of 2008.

6. Company Information :

Physical address : 9 Margaret Bacon Avenue
 Umdloti Beach
 4350

Postal : P.O. Box 1930
 Westville
 3630

Bankers : First National Bank
 Standard Bank

The financial statements as set out on pages 5 to 7 were approved by the directors at the annual general meeting held on 27th July 2017, and are signed on their behalf by :

Director

Director

STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2017.

	2017 R	2016 R
ASSETS		
NON - CURRENT ASSETS		
Computer Equipment	6 111	-
	6 111	-
CURRENT ASSETS		
Cash & cash equivalents :	310 259	205 516
First National Bank	310 259	205 516
Standard Bank	-	-
	-	-
TOTAL ASSETS	316 370	205 516
EQUITY & LIABILITIES		
CAPITAL AND RESERVES		
Accumulated Surplus / (Deficit)	153 350	144 128
CURRENT LIABILITIES		
Accounts Payable	163 020	61 388
Funds held in Trust	70 325	9 259
	92 695	52 129
	316 370	205 516

**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
AS AT 28 FEBRUARY 2017.**

	2017	2016
	R	R
INCOME :		
Membership Fees	875 632	752 751
Interest Received	155	64
Sundry Income	143 681	182 296
Donations Received	9 868	9 580
	<u>1 029 336</u>	<u>944 691</u>
 EXPENDITURE :	 1 020 114	 853 794
Accounting Fees	22 800	21 090
Audit Fee	3 700	2 140
Administration/Management Fees	80 800	65 000
Bank Charges	8 456	2 874
Cleaning	32 400	26 350
Computer Expenses	3 806	-
Depreciation	1 475	-
General Expenses	2 400	2 300
Security & Guarding Fees	669 183	632 447
Arbor Day	-	9 858
Landscaping	183 876	11 204
Marketing	7 434	79 886
Stationery	707	645
Subscriptions - Website	3 077	-
	<u>9 222</u>	<u>90 897</u>
 NET SURPLUS / (DEFICIT) :		
 Surplus at beginning of period	 144 128	 53 231
	<u>153 350</u>	<u>144 128</u>
 Surlus / (Deficit) at end of period :		

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2017.

	2017	2016
	R	R
Net Cash Inflow / (Outflow) from Operating Activities	112 329	100 405
Cash (Utilised in) / Generated from Operating Activities	9 222	90 897
Adjusted for : increase/(decrease) in Creditors	101 632	9 508
Add back : depreciation	1 475	-
 INVESTMENT ACTIVITIES		
Additions to Fixed Assets	(7 586)	-
Net Cash Flow from Investment Activities	(7 586)	-
 Net Increase / (Decrease) in cash and cash equivalents	104 743	100 405
Cash and cash equivalents at beginning of year	205 516	105 111
Cash and cash equivalents at end of year	310 259	205 516

1. ACCOUNTING POLICIES

The Annual Financial Statements have been prepared on the historical cost basis and incorporate the following principal accounting policies which are consistent with those applied in the previous year.

1.1 FIXED ASSETS

Fixed Assets are depreciated using the straight line method at rates that will reduce book values to estimated residual values over the anticipated useful lives of the assets concerned

The annual rates used for this purpose are:

Computer Equipment 33.33%

	R	R	R
	Cost	Accumulated Depreciation	Carrying Value
2017	R	R	R
Computer Equipment	7 586	(1 475)	6 111
	<u>7 586</u>	<u>(1 475)</u>	<u>6 111</u>

Reconciliation of Fixed Assets - 2017

	R	R	R	R
	Opening Balance	Additions (Disposals)	Depreciation	Total
Computer Equipment	7 586	-	(1 475)	6 111
	<u>7 586</u>	<u>-</u>	<u>(1 475)</u>	<u>6 111</u>

2. TAXATION

The company is exempt from taxation in terms of section 10 (1) (cO) of the Income Tax Act of 1962, and the Taxation Amendment Acts 17 and 18 of 2009.