

**Vredeloof Community Improvement District NPC**  
**(Registration number 2009/019665/08)**  
**Financial statements**  
**for the year ended 30 June 2017**

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Improve and promote the improvement area by providing and procuring the provision of services to and in the improvement area
<b>Directors</b>	CJ Labuschagne DA Grobler FH du Plessis GM Hirst J Wolfaardt JP du Plessis LDW Brynard
<b>Registered office</b>	Shiraz House The Vineyards Office Estate 99 Jip de Jager Rd Bellville 7530
<b>Bankers</b>	ABSA Ltd
<b>Auditors</b>	Haumann Rodger Bellville Inc.
<b>Company registration number</b>	2009/019665/08
<b>Tax reference number</b>	9248/759/17/8
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The financial statements were independently compiled by: JW Trytsman Haumann Rodger Bellville Inc.

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

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

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

Detailed Income Statement	16
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### Level of assurance

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

### Preparer

JW Trytsman  
Haumann Rodger Bellville Inc.

### Published

21 August 2017

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## 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 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, 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 financial statements.

The 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.

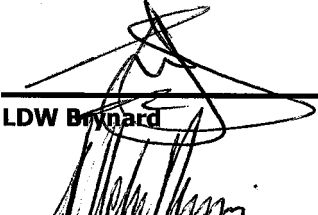
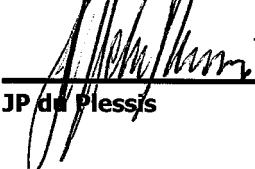
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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.


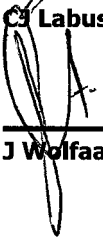
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control 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 auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 4.

The financial statements set out on pages 6 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 31 AUGUST 2017 and were signed by them:

  
LDW Brynard  
  
JP de Plessis

  
C Labuschagne  
  
J Wolfaardt

# HAUMANN RODGER

c h a r t e r e d a c c o u n t a n t s



Haumann Rodger Bellville Inc. Reg 2008/008838/21

Shiraz House, The Vineyards Office Estates, 99 Jip De Jager Road, Bellville

PO Box 3759, Tyger Valley, 7536, info@haumann.co.za, Tel: 021 913 8152, Fax: 086 680 4020

JW Trytsman CA (SA) W Pienaar CA (SA)

## Independent Auditors' Report

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### To the directors of Vredelokloof Community Improvement District NPC

We have audited the financial statements of Vredelokloof Community Improvement District NPC, as set out on pages 8 to 15, 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 Financial Statements

The company's directors are responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of Vredelokloof Community 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.

## **Independent Auditors' Report**

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### **Other reports required by the Companies Act**

As part of our audit of the 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 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 financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.



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**W Pienaar**  
**Partner**

**21 August 2017**

# **Vredeloof Community Improvement District NPC**

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## **Directors' Report**

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The directors have pleasure in submitting their report on the financial statements of Vredeloof Community Improvement District NPC for the year ended 30 June 2017.

### **1. Incorporation**

The company was incorporated on 13 October 2009 and obtained its certificate to commence business on the same day.

### **2. Nature of business**

Vredeloof Community Improvement District NPC was incorporated in South Africa with interests in the Non-profit industry. The company operates in the Western Cape of South Africa.

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

### **3. Review of financial results and activities**

The 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 compared to the prior year.

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

### **4. Directors**

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

CJ Labuschagne  
DA Grobler  
FH du Plessis  
GM Hirst  
J Wolfaardt  
JP du Plessis  
LDW Brynard

There have been no changes to the directorate for the period under review.

### **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. Going concern**

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

# **Vredeloof Community Improvement District NPC**

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## **Directors' Report**

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### **7. Auditors**

Haumann Rodger Bellville Inc. continued in office as auditors for the company for 2017.

At the AGM, the shareholders will be requested to reappoint Haumann Rodger Bellville Inc. as the independent external auditors of the company and to confirm Mr W Pienaar as the designated lead audit partner for the 2018 financial year.

### **8. Secretary**

The company secretary is P Venter.



# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

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
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	255 930	215 714
<b>Current Assets</b>			
Trade and other receivables	3	7 464	7 105
Cash and cash equivalents	4	913 272	667 341
		<b>920 736</b>	<b>674 446</b>
<b>Total Assets</b>		<b>1 176 666</b>	<b>890 160</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		1 166 623	879 605
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	10 043	10 555
<b>Total Equity and Liabilities</b>		<b>1 176 666</b>	<b>890 160</b>

## Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

### Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	6	2 807 984	2 634 545
Other income	7	203 093	271 834
Operating expenses		(2 770 605)	(2 567 301)
<b>Operating profit</b>		<b>240 472</b>	<b>339 078</b>
Investment revenue		46 546	28 387
<b>Profit for the year</b>		<b>287 018</b>	<b>367 465</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>287 018</b>	<b>367 465</b>

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 July 2015</b>	<b>512 140</b>	<b>512 140</b>
Profit for the year	367 465	367 465
<b>Total comprehensive income for the year</b>	<b>367 465</b>	<b>367 465</b>
<b>Balance at 01 July 2016</b>	<b>879 605</b>	<b>879 605</b>
Profit for the year	287 018	287 018
<b>Total comprehensive income for the year</b>	<b>287 018</b>	<b>287 018</b>
<b>Balance at 30 June 2017</b>	<b>1 166 623</b>	<b>1 166 623</b>

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
<b>Cash flows from operating activities</b>			
Cash generated from operations	9	314 701	300 510
Interest income		46 546	28 387
<b>Net cash from operating activities</b>		<b>361 247</b>	<b>328 897</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(115 316)	(138 323)
<b>Total cash movement for the year</b>		<b>245 931</b>	<b>190 574</b>
Cash at the beginning of the year		667 341	476 767
<b>Total cash at end of the year</b>	4	<b>913 272</b>	<b>667 341</b>

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Accounting Policies

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### 1. Presentation of Financial Statements

The 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 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.

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
Motor vehicles	5 years
Security equipment	3 years
IT equipment	3 years
Other fixed assets	5 years

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 Employee benefits

##### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

# **Vredeloof Community Improvement District NPC**

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Financial Statements for the year ended 30 June 2017

## **Accounting Policies**

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### **1.3 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:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Notes to the 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	94 338	(89 438)	4 900	92 410	(87 883)	4 527
Motor vehicles	55 000	(11 633)	43 367	55 000	(633)	54 367
IT equipment	42 324	(38 346)	3 978	39 979	(33 278)	6 701
Other fixed assets	155 936	(109 345)	46 591	133 485	(89 483)	44 002
Security equipment	224 860	(67 766)	157 094	136 268	(30 151)	106 117
<b>Total</b>	<b>572 458</b>	<b>(316 528)</b>	<b>255 930</b>	<b>457 142</b>	<b>(241 428)</b>	<b>215 714</b>

### Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	4 527	1 928	(1 555)	4 900
Motor vehicles	54 367	-	(11 000)	43 367
IT equipment	6 701	2 345	(5 068)	3 978
Other fixed assets	44 002	22 451	(19 862)	46 591
Security equipment	106 117	88 592	(37 615)	157 094
	<b>215 714</b>	<b>115 316</b>	<b>(75 100)</b>	<b>255 930</b>

### 3. Trade and other receivables

Deposits	7 464	7 105
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### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	20 915	(684)
Bank balances	892 357	668 025
	<b>913 272</b>	<b>667 341</b>

### 5. Trade and other payables

Trade payables	2 196	-
VAT	7 847	6 719
Accrued expenses	-	3 836
	<b>10 043</b>	<b>10 555</b>

# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Notes to the Financial Statements

Figures in Rand	2017	2016
<b>6. Revenue</b>		
Activity income	2 807 984	2 634 545
<b>7. Other income</b>		
Retention fund	195 919	265 441
Sundry income	7 174	6 393
	<b>203 093</b>	<b>271 834</b>

As at 30 June 2017 the total retention held by the City of Cape Town amounted to R 86,845.00

## 8. Auditors' remuneration

Fees	7 711	9 140
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## 9. Cash generated from operations

Profit before taxation	287 018	367 465
<b>Adjustments for:</b>		
Depreciation and amortisation	75 100	47 923
Interest received - investment	(46 546)	(28 387)
Rounding of cash flow	-	(2)
<b>Changes in working capital:</b>		
Trade and other receivables	(359)	(358)
Trade and other payables	(512)	(86 131)
	<b>314 701</b>	<b>300 510</b>

## 10. Going concern

The 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.



# Vredeloof Community Improvement District NPC

(Registration number 2009/019665/08)

Financial Statements for the year ended 30 June 2017

## Detailed Income Statement

Figures in Rand

	Note(s)	2017	2016
<b>Revenue</b>			
Activity income		2 807 984	2 634 545
<b>Other income</b>			
Sundry income		7 174	6 393
Retention fund		195 919	265 441
Interest received		46 546	28 387
		<b>249 639</b>	<b>300 221</b>
<b>Operating expenses</b>			
AGM expenses		6 670	-
Accounting fees		19 190	18 910
Advertising		-	6 360
Auditors remuneration	8	7 711	9 140
Bank charges		7 413	7 474
Cleaning		148 349	143 974
Computer expenses		8 807	12 055
Depreciation, amortisation and impairments		75 100	47 923
Employee costs		343 750	342 778
Entertainment		550	189
Hymax & Stancom		8 443	8 613
Insurance		15 043	12 692
Lease rentals on operating lease		88 389	84 140
Levies		718	9 280
Municipal expenses		22 008	21 119
Office expenses		1 718	1 312
Promotions		15 944	12 573
Repairs and maintenance		17 481	5 734
Security		1 945 643	1 794 187
Staff welfare		5 912	4 638
Telephone and fax		31 766	24 204
Travel - local		-	6
		<b>2 770 605</b>	<b>2 567 301</b>
<b>Profit for the year</b>		<b>287 018</b>	<b>367 465</b>