

Woodstock Improvement District NPC
(Registration number 2006/015254/08)
Annual Financial Statements
for the year ended 30 June 2016

Woodstock Improvement District NPC

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	Improving and promoting the woodstock business area.
Directors	MG Joonas BM Hofmeyr CHR Swarbreck CJ Hall T Baartman AMA Potgieter
Registered office	41 Victoria Road Woodstock 7925
Postal address	PO Box 444 Woodstock 7925
Bankers	First National Bank
Auditor's	Wilder Lockitch Chartered Accountants (S.A.) Registered Auditor
Company registration number	2006/015254/08
Level of assurance	These annual financial statements have been audited.
Preparer	The annual financial statements were prepared under the supervision of: GA Hapgood-Strickland Chartered Accountant (S.A.)
Issued	30 August 2016

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

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DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act 71 of South Africa, 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 auditor is 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 directors set 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 external auditor is 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 auditor and their report is presented on pages 4 to 5.

The annual financial statements and supplementary information set out on pages 6 to 20, which have been prepared on the going concern basis, were approved by the directors on 30 August 2016 and were signed on their behalf by:



Director

INDEPENDENT AUDITOR'S REPORT

To the members of Woodstock Improvement District NPC

We have audited the annual financial statements of Woodstock Improvement District NPC, as set out on pages 7 to 18, 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 South Africa, 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.

Auditor's 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 auditor's 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 company'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 company'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 Woodstock Improvement District NPC as at 30 June 2016, and its financial performance and 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 South Africa, 2008.

INDEPENDENT AUDITOR'S REPORT

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 that report and the audited annual financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited annual financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.

Wilder Lockitch

**Wilder Lockitch
Chartered Accountants (S.A.)
Registered Auditor**

**Partner: GA Haggood-Strickland
30 August 2016
Century City**

Woodstock Improvement District NPC

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 Woodstock Improvement District NPC for the year ended 30 June 2016.

1. Nature of business

Woodstock Improvement District NPC was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

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 South Africa, 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 annual financial statements.

3. Share capital

As the company is a Non-Profit Company, it has no share capital.

4. Dividends

As this is a Non-Profit Company it may not payout dividends.

5. Directors

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

Directors

MG Joonas

BM Hofmeyr

CHR Swarbreck

CJ Hall

T Baartman

AMA Potgieter

Changes

Appointed 26 November
2015

Appointed 26 November
2015

Appointed 31 January
2016



31.08.2016

6. Property, plant and equipment

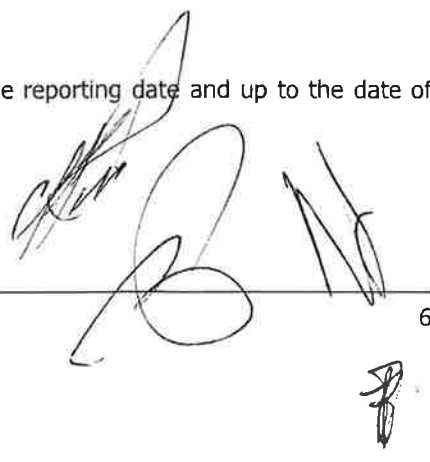
There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

7. 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.

8. Auditors

Wilder Lockitch continued in office as auditors for the company for 2016.



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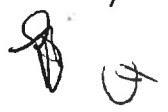
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Woodstock Improvement District NPC

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			
Non-Current Assets			
Property, plant and equipment	2	54,649	74,470
Current Assets			
Trade and other receivables	3	66,000	66,000
Cash and cash equivalents	4	1,288,621	711,742
		1,354,621	777,742
Total Assets		1,409,270	852,212
Equity and Liabilities			
Equity			
Retained income		1,328,674	775,926
Liabilities			
Non-Current Liabilities			
Operating lease liability		7,302	24,065
Current Liabilities			
Trade and other payables	5	56,531	50,501
Operating lease liability		16,763	1,720
		73,294	52,221
Total Liabilities		80,596	76,286
Total Equity and Liabilities		1,409,270	852,212

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Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2016	2015
Revenue	6	4,296,559	3,920,641
Other income	7	341,887	86,236
Operating expenses		(4,125,605)	(4,172,287)
Operating profit (loss)		512,841	(165,410)
Investment revenue	8	40,656	19,973
Finance costs	9	(749)	-
Profit (loss) before taxation		552,748	(145,437)
Taxation	10	-	-
Profit (loss) for the year		552,748	(145,437)



Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Retained income	Total equity
Balance at 01 July 2014	921,363	921,363
Loss for the year	(145,437)	(145,437)
Balance at 01 July 2015	775,926	775,926
Profit for the year	552,748	552,748
Balance at 30 June 2016	1,328,674	1,328,674



Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2016	2015
Cash flows from operating activities			
Cash generated from (used in) operations	11	536,972	(104,064)
Interest income		40,656	19,973
Finance costs		(749)	-
Net cash from operating activities		576,879	(84,091)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(19,541)
Total cash movement for the year		576,879	(103,632)
Cash at the beginning of the year		711,742	815,374
Total cash at end of the year	4	1,288,621	711,742

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

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 South Africa, 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.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

Impairment testing

The company reviews and tests the carrying value of property, plant and equipment and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Depreciation

Management is required to make estimates of the useful life and residual values of items of property, plant and equipment. In determining the useful life of the items of property, plant and equipment the following factors must be considered:

- the expected usage of the assets;
- expected physical wear and tear;
- technical or commercial obsolescence arising from changes or improvement in production; and
- legal or similar limits on the use of the assets.

1.2 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, or 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 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.

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory.

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 as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	3 years
Trailer	Straight line	10 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

Land is not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of 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.

Debt instruments that have no defined terms that cannot be discounted which are classified as non-current assets or non-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 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 there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

ACCOUNTING POLICIES

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax asset balances are reviewed at every reporting date. When necessary, a valuation allowance is recognised against the deferred tax assets so that the net amount equals the highest amount that is more likely than not to be realised on the basis of current or future taxable profit.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill may be impaired.

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

ACCOUNTING POLICIES

1.6 Impairment of assets (continued)

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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.

1.7 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 leave pay 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.

1.8 Revenue

Revenue is recognised in the year when ninety-seven percent (97%) of the budgeted figure is received, three percent (3%) will be retained by the City of Cape Town in a Retention Fund. These funds are under the control of the City. Per agreement seventy-five percent (75%) of the amount by which the Retention Fund exceeds the accumulated arrears at the end of the financial year, will be paid to the company as contingent income. This will be recognised in the year that it is received as other income.

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

1.9 Borrowing costs

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

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
2. Property, plant and equipment						
Furniture and fixtures	48,789	(23,211)	25,578	48,789	(15,857)	32,932
IT equipment	52,223	(45,002)	7,221	52,223	(36,335)	15,888
Trailer	38,000	(16,150)	21,850	38,000	(12,350)	25,650
Total	139,012	(84,363)	54,649	139,012	(64,542)	74,470

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Total
Furniture and fixtures	32,932	(7,354)	25,578
IT equipment	15,888	(8,667)	7,221
Trailer	25,650	(3,800)	21,850
	74,470	(19,821)	54,649

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	40,286	-	(7,354)	32,932
IT equipment	5,962	19,541	(9,615)	15,888
Trailer	29,450	-	(3,800)	25,650
	75,698	19,541	(20,769)	74,470

3. Trade and other receivables

Deposits	66,000	66,000
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4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2,150	1,500
Bank balances	1,286,471	710,242
	1,288,621	711,742

5. Trade and other payables

VAT	22,172	34,821
Accrued payroll expenses	30,882	14,777
Accrued expense	3,477	903
	56,531	50,501

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2016	2015
6. Revenue		
Revenue	4,296,559	3,920,641
7. Other income		
Other income	13,937	5,000
Retention	327,950	81,236
	341,887	86,236
8. Investment revenue		
Interest revenue		
Bank	40,656	19,973
9. Finance costs		
Late payment of tax	374	-
Interest paid on accounts	375	-
	749	-
10. Taxation		
Income tax has not been provided as the company is exempt in terms of Section 10(1)(d)(iii) of the Income Tax Act.		
11. Cash generated from (used in) operations		
Profit (loss) before taxation	552,748	(145,437)
Adjustments for:		
Depreciation and amortisation	19,821	20,769
Interest received	(40,656)	(19,973)
Finance costs	749	-
Movements in operating lease assets and accruals	(1,720)	25,785
Changes in working capital:		
Trade and other receivables	-	380
Trade and other payables	6,030	14,412
	536,972	(104,064)

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2016	2015
12. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	69,410	205,450
- in second to fifth year inclusive	-	297,721
	69,410	503,171

Operating lease payments represent rentals payable by the company for certain of its office properties.

13. Related parties

Relationships

By virtue of key management (C Lloyd)

Lloyd's Project Management Close Corporation

Members of key management

C Lloyd

Related party balances and transactions with key management personnel of the company or its parent

Related party transactions

Administration fees paid to (received from) related parties

Lloyd's Project Management Close Corporation

529,710 490,812

14. Directors' remuneration

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

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

	2016	2015
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15. Categories of financial instruments

Financial assets at amortised cost

Trade and other receivables	66,000	66,000
Cash and cash equivalents	1,288,621	711,742
	1,354,621	777,742

Financial liabilities at amortised cost

Trade and other payables	3,477	903
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16. Gains and losses on financial instruments

Financial instruments not measured at fair value through profit or loss:

Total interest income	40,656	19,973
Total interest expense	(375)	-
	40,281	19,973

17. Prior period errors

Certain amounts have been reclassified in the prior year. Provisions are shown under Trade and other payables in the current year, as it does not meet the definition of provisions.

Retentions are recognised as revenue and receivables in the period it accrues and no longer when the retention is received.

There is no tax effect as the company is exempt see note 10.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position

Operating lease liability	-	(25,785)
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Profit or Loss

Rental expense	-	20,113
Operating cost	-	5,672

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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			
Revenue		4,296,559	3,920,641
Other income			
Other income		13,937	5,000
Retentions received		327,950	81,236
Interest received	8	40,656	19,973
		382,543	106,209
Expenses (Refer to page 20)		(4,125,605)	(4,172,287)
Operating profit (loss)		553,497	(145,437)
Finance costs	9	(749)	-
Profit (loss) for the year		552,748	(145,437)

Woodstock Improvement District NPC

Annual Financial Statements for the year ended 30 June 2016

DETAILED INCOME STATEMENT

Figures in Rand	Note(s)	2016	2015
Operating expenses			
Accounting fees		56,563	14,011
Administration and management fees		529,711	490,812
Advertising		11,609	11,345
Auditors remuneration		18,240	18,500
Bank charges		902	889
Cleaning		468,478	512,348
Computer expenses		16,915	12,036
Depreciation, amortisation and impairments		19,821	20,769
Donations		500	4,950
Employee costs		250,274	203,735
General expenses		660	664
Internet fees		2,331	9,242
Law enforcement		176,475	-
Lease rentals on operating lease		145,770	156,309
Motor vehicle expenses		1,537	230
Municipal expenses		35,815	24,532
Operating cost		40,125	43,592
Postage		9,947	7,367
Printing and stationery		15,247	11,100
Repairs and maintenance		2,075	7,182
Secretarial fees		5,700	3,950
Security		2,265,750	2,584,071
Small items & replacements		1,250	140
Social development		1,500	1,829
Staff welfare		1,683	36
Subscriptions		-	339
Telephone and fax		46,727	32,030
Transport and freight		-	279
		4,125,605	4,172,287