

**The Waenhuiskrans/Arniston
Ratepayers Association**

Financial Statements for the years ended
31 October 2014, 31 October 2013, 31 October 2012,
31 October 2011, 31 October 2010, 31 October 2009,
31 October 2008

The Waenhuiskrans/Arniston Ratepayers Association
Financial Statements for the years ended 31 October 2014, 31 October 2013, 31 October 2012,
31 October 2011, 31 October 2010, 31 October 2009, 31 October 2008

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The reports and statements set out below comprise the financial statements presented to the Members of the association:

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The Waenhuiskrans/Arniston Ratepayers Association
Financial Statements for the year ended 31 October 2014, 31 October 2015, 31 October 2016,
31 October 2017, 31 October 2018, 31 October 2019, 31 October 2020 and 31 October 2021

Executive Committee's Responsibilities and Approval

The executive committee is required in terms of the association's constitution 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 annual financial statements fairly present the state of affairs of the association as at the end of a financial year and the results of its operations for the period then ended, in conformity with the entity specific framework as set out in note 1 to the financial statements. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the entity specific framework and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The executive committee acknowledges that they are ultimately responsible for the association's system of internal financial control. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the executive committee to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the years under review.

The executive committee is of the opinion 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 independent auditors are responsible for auditing and reporting on the association's financial statements. The financial statements have been examined by the association's independent auditors and their report is presented on pages 2 and 4.

The financial statements set out on pages 5 to 10, which have been prepared on the going concern basis, were approved by the executive committee on 4 September 2015 and were signed on its behalf by:



Executive Committee Member



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Independent Auditor's Report

To the members of The Waenhuiskrans/Arniston Ratepayers Association

We have audited the financial statements of The Waenhuiskrans/Arniston Ratepayers Association, as set out on page 5 to 10, which comprise the Executive Committee's Report, Balance Sheet as at 31 October 2014, 31 October 2013, 31 October 2012, 31 October 2011, 31 October 2010, 31 October 2009 and 31 October 2008 and the Income Statements for the years then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Executive Committee's Responsibility for the Financial Statements

The executive committee is responsible for the preparation and fair presentation of these financial statements in accordance with the entity specific framework as set out in note 1 to the financial statements and for such internal control as the executive committee 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.

Partners: **Chris van Heerden** B Com CA (SA), **Mynhardt Kitshoff** B Compt (Hons) CA (SA), **Carl Beekmans** B Com CA (SA), **Chirag Lakhani** B Com CA (SA), **David Botha** BRek (Hons) MComm (Computer Auditing) CA (SA), **Monique Podesta** B Rek (Hons) CA (SA), **Elizca Mulder** B Rek (Hons) CA (SA), **Jo-Anne Swart** B Compt (Hons) CA (SA)
Consultant: **Oscar de Vries** B Com CA (SA)

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

In common with similar associations, it is not feasible for the association to institute accounting controls over collections from ratepayers, prior to the initial entry of the collections in the accounting records. Accordingly, it is impractical for us to extend our examination beyond the receipts actually recorded.

Qualified Opinion

Except for the effects of any adjustments which might have been necessary had it been possible for us to extend our examination of collections from ratepayers, in our opinion these annual financial statements fairly present, in all material aspects, the financial position of the organisation as at 31 October 2014, 31 October 2013, 31 October 2012, 31 October 2011, 31 October 2010, 31 October 2009 and 31 October 2008 and the results of the operations for the years ended in accordance with the entity-specific accounting policy as set out in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Paragraph 7 of the Executive Committee report which indicates that audited financial statements were not presented for the financial years covered herein. This is now addressed by the presentation of these audited financial statements.

Other Reports

As part of our audit of the financial statements for the years ended 31 October 2014, 31 October 2013, 31 October 2012, 31 October 2011, 31 October 2010, 31 October 2009 and 31 October 2008 we have reviewed the detailed income statement for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. This report is the responsibility of the Executive Committee. Based on reviewing 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 thereon.



Baker Tilly Greenwoods
Partner: **Chris van Heerden**
Registered Auditor

4 September 2015
Cape Town

The Waenhuiskrans/Arniston Ratepayers Association

Financial Statements for the year ended 31 October 2014, 31 October 2013, 31 October 2012,
31 October 2011, 31 October 2010, 31 October 2009, 31 October 2008.

Executive Committee's Report

The executive committee hereby submits its report for the years ended 31 October 2014, 31 October 2013, 31 October 2012, 31 October 2011, 31 October 2010, 31 October 2009, 31 October 2008.

1. Review of activities

The association is engaged in carrying out the objects of the association as set out in its constitution which states, broadly "The purpose of the association is to look after the local affairs and interests of Waenhuiskrans/Arniston and its inhabitants".

The purpose of the association is not to generate profit. Accumulated funds are mainly kept in bank accounts to fund future activities.

The results and state of affairs of the association are fully set out in the financial statements of which this report forms part and do not in our opinion require any further comment.

2. 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 activities and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after the reporting period

The executive committee is not aware of any matter or circumstance arising since 31 October 2014 until the date of the financial statements, except for the audit fees raised for the audit of the 7 years amounting to R25,080.

4. Litigation

From 2008 to 2012 the association was involved in a lawsuit. Expenditure incurred for the litigation was funded by way of donations with underwriters agreeing to make up any shortfall. John Taylor and Associates Inc. was instructed to receive the deposits of such funds. The shortfall was underwritten by underwriters on condition that if the case was ultimately won and a cost award was made, this award would be used to refund the underwriters up to a maximum of their advances which was indeed done.

Certain members of the association also rendered professional services for the litigation free of charge and other fees recoverable were donated to the association.

The court ultimately ruled in favour of the association and the cost award was used to reimburse the underwriters to the extent possible.

5. Acting as an agent

In order to serve the interests of the association's members, the association acted as an agent for participating members during the 2013 financial year. Funds were received from members for an independent valuation of the members' property. An independent valuator was paid for the valuations that were done with funds contributed by participating members. Members who did not proceed with the valuation process were refunded and as the association merely acted as an agent these transactions are not reflected in the financial statements.

The Waenhuiskrans/Arniston Ratepayers Association

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6. Executive Committee

The executive committee of the association during the years under review and to the date of this report are as follows:

2008 : C Bird, D Maritz, E Dommissie, G Graaff, K Higgins, M van Heerden, O Lawrence, P Hofmeyr, V Lourens

2009 : C Bird, D Maritz, E Dommissie, K Higgins, M van Heerden, P Hofmeyr, V Lourens, G Swiel

2010 : C Bird, M van Heerden, P Hofmeyr, V Lourens, G Swiel, S Boers, R Europa, S Lawrence

2011 : C Bird, M van Heerden, P Hofmeyr, V Lourens, R Europa, S Lawrence, C Hofmeyr

2012 : C Bird, M van Heerden, P Hofmeyr, V Lourens, R Europa, S Lawrence, C Hofmeyr, S Boers

2013 : C Bird, M van Heerden, P Hofmeyr, V Lourens, R Europa, S Lawrence, C Hofmeyr, S Boers

2014 : M van Heerden, P Hofmeyr, R Europa, S Lawrence, C Hofmeyr, R Lloyd, T Robertson, C Craven

2015 : M van Heerden, P Hofmeyr, R Europa, S Lawrence, C Hofmeyr, R Lloyd, T Robertson, C Craven

7. Audited Financial Statements

The audited financial statements were inadvertently not presented annually to the Annual General Meetings for the financial years covered herein based on previous custom. This is now addressed by the presentation of these financial statements and the Executive Committee will present a proposed amendment of clause 13 of the Constitution to obviate the need in future for an expensive an unnecessary annual audit.

The Waenhuiskrans/Arniston Ratepayers Association

Financial Statements for the year ended 31 October 2014, 31 October 2013, 31 October 2012,
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Balance Sheet

Figures in Rand	Note	2014	2013	2012	2011	2010	2009	2008
Assets								
Current account		30,467	11,442	29,529	23,864	22,516	22,403	22,257
Savings account		27,113	27,102	-	-	-	-	-
Attorneys trust account		20,184	20,184	20,184	20,184	-	-	-
		77,764	58,728	49,713	44,047	22,516	22,403	22,257
Capital								
Accumulated funds	2	77,764	58,728	49,713	44,047	17,568	(199,287)	(182,414)
Liabilities								
Account payable		-	-	-	-	4,947	221,690	204,670
		77,764	58,728	49,713	44,047	22,516	22,403	22,257

The Waenhuiskrans/Arniston Ratepayers Association

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Income Statement

Figures in Rand	2014	2013	2012	2011	2010	2009	2008
Income	21,502	12,028	298,309	31,691	361,314	285,161	131,250
Expenses	2,465	3,013	292,643	5,212	144,458	302,034	323,662
Net income/(deficit)	19,036	9,015	5,666	26,479	216,855	(16,873)	(192,412)

Notes to the Financial Statements

1. Accounting policies

1.1 Presentation of Annual Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out below. The financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies have been consistently applied in all periods.

1.1.1 Income

Income comprises of Membership fees, donations and interest received. Income is recognised on date of receipt. A liability is not recognised for membership fees received that relate to future periods, as income is recognised on the date of receipt.

Where the Association arranges for bulk discount on valuations and collects funds from members to defray the expense, these funds are netted off in the financial statements.

1.1.2 Property, plant and equipment

Property, plant and equipment consist of tangible items that will be utilised to produce income, for more than one financial year. These items are initially measured at cost.

Property, plant and equipment items purchased with a cost below R5,000 will be recognised as an expense on the date of payment.

1.1.3 Intangible assets

Intangible assets consist of computer software purchased. These items are initially measured at cost.

Intangible assets with a cost below R5,000 will be recognised as an expense on the date of payment.

1.1.4 Cash and cash equivalents

Cash and cash equivalents current accounts, deposits held at call with banks, accounts held by an attorneys trust in an attorneys trust bank account and bank overdrafts. These are subsequently recorded at amortised cost.

1.1.5 Expenses

Expenses are recognised on accrual basis.

No accounting entry is made for any services received free of charge.

The Waenhuiskrans/Arniston Ratepayers Association

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Notes to the Financial Statements

Figures in Rand	2014	2013	2012	2011	2010	2009	2008
2. Accumulated funds							
Opening balance	58,728	49,713	44,047	17,568	(199,287)	(182,414)	9,998
Net income/(deficit)	19,036	9,015	5,666	26,479	216,855	(16,873)	(192,412)
Closing balance	77,764	58,728	49,713	44,047	17,568	(199,287)	(182,414)

3. Taxation

No provision has been made for taxation, as the activities of the Association is carried on in a non-profit manner.

4. Net income/(deficit)

Net income/(deficit) for the years are stated after accounting for the items disclosed below:

Receipts and Expenses relating to litigation:

Receipts	-	-	291,089	25,131	352,138	280,211	115,800
Donations and underwriting receipts	-	-	-	25,131	352,138	280,211	115,800
Litigation receipts	-	-	291,089	-	-	-	-
Payments	-	-	291,089	-	135,395	297,230	320,407
Disbursements	-	-	-	-	122,810	276,596	303,313
Fees	-	-	-	-	12,586	20,634	17,157
Legal expenses	-	-	65,778	-	-	-	-
Reimbursements to underwriters	-	-	225,311	-	-	-	-

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Detailed Income Statement

Figures in Rand	2014	2013	2012	2011	2010	2009	2008
General Income and Expenses of the Association							
Income	21,502	12,028	7,220	6,560	9,176	4,950	15,450
Membership fees	20,171	10,990	7,220	6,560	9,176	4,950	15,450
Interest received	1,330	1,038	-	-	-	-	-
Expenses	2,465	3,013	1,554	5,212	9,063	4,804	3,192
Bank Charges	826	919	915	984	853	686	663
Donations – WACDT	-	950	-	-	-	-	500
Printing and stationery	-	40	-	-	5,933	4,118	1,371
Rental	200	200	-	-	200	-	40
Accounting fees	1,439	904	639	929	1,577	-	618
Administration fees	-	-	-	-	500	-	-
Computer equipment and software	-	-	-	3,299	-	-	-
Net income	19,036	9,015	5,666	1,348	113	146	12,258
Income and expenses relating to litigation							
Receipts	-	-	291,089	25,131	352,138	280,211	115,800
Donations and underwriting receipts	-	-	-	25,131	352,138	280,211	115,800
Litigation receipts	-	-	291,089	-	-	-	-
Payments	-	-	291,089	-	135,395	297,230	320,407
Disbursements	-	-	-	-	122,810	276,596	303,313
Fees	-	-	-	-	12,586	20,634	17,157
Legal expenses	-	-	65,778	-	-	-	-
Reimbursements to underwriters	-	-	225,311	-	-	-	-
Net income/(deficit) relating to legal fees	-	-	-	25,131	216,742	(17,019)	(204,670)
Total net income/(deficit)	19,036	9,015	5,666	26,479	216,855	(16,873)	(192,412)