

Triangle Industrial City Improvement District NPC
(Registration number 2005/029020/08)
Financial statements
for the year ended 30 June 2016

Triangle Industrial City Improvement District NPC

(Registration number 2005/029020/08)

Financial Statements for the year ended 30 June 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Community based business
Directors	PF Bauer C Munro ML Claassen AG Meyer NR Jansen GI Horsburgh
Registered office	Shiraz House The Vineyards Office Estate 99 Jip de Jager Rd Bellville 7530
Bankers	Standard Bank
Auditors	Haumann Rodger Bellville Inc.
Secretary	DL Cameron
Company registration number	2005/029020/08
Tax reference number	7390/769/61/4
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were independently compiled by: JW Trytsman Haumann Rodger Bellville Inc.

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

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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

26 July 2016

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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 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.

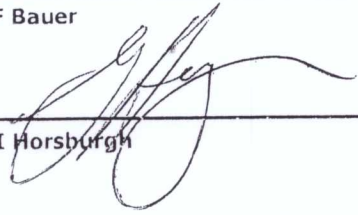
The directors have reviewed the company's cash flow forecast for the year to 30 June 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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.

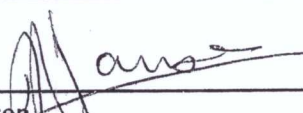
The financial statements set out on pages 6 to 15, which have been prepared on the going concern basis, were approved by the board of directors on 18 August 2016 and were signed by:



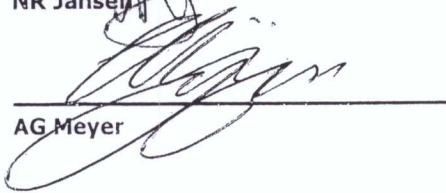
PF Bauer



GI Horsburgh



NR Jansen



AG Meyer

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

To the directors of Triangle Industrial City Improvement District NPC

We have audited the financial statements of Triangle Industrial City Improvement District NPC, as set out on pages 8 to 15, 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 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 Triangle Industrial City Improvement District NPC as at 30 June 2016, 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

Other reports required by the Companies Act

As part of our audit of the 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 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.



W Pienaar
Partner

26 July 2016

Triangle Industrial City Improvement District NPC

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Financial Statements for the year ended 30 June 2016

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Triangle Industrial City Improvement District NPC for the year ended 30 June 2016.

1. Incorporation

The company was incorporated on 18 August 2005 and obtained its certificate to commence business on the same day.

2. Nature of business

Triangle Industrial City 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.

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:

PF Bauer
C Munro
ML Claassen
AG Meyer
NR Jansen
GI Horsburgh

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.

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Financial Statements for the year ended 30 June 2016

Directors' Report

7. Auditors

Haumann Rodger Bellville Inc. continued in office as auditors for the company for 2016.

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 2017 financial year.

8. Secretary

The company secretary is DL Cameron.

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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	1,077,964	1,075,243
Current Assets			
Trade and other receivables	3	20,347	123,912
Cash and cash equivalents	4	788,017	482,842
		808,364	606,754
Total Assets		1,886,328	1,681,997
Equity and Liabilities			
Equity			
Retained income		1,847,577	1,636,908
Liabilities			
Current Liabilities			
Trade and other payables	5	38,751	45,089
Total Equity and Liabilities		1,886,328	1,681,997

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Financial Statements for the year ended 30 June 2016

Statement of Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Revenue			
Rendering of services		1,833,792	1,713,985
Other income			
Interest received		21,172	16,811
Other income		877	833
Retention refund		83,299	71,781
Waste		2,573	2,705
		107,921	92,130
Operating expenses			
Accounting fees		21,528	24,650
Auditors remuneration	8	10,773	10,260
Bank charges		6,287	5,813
Camera monitoring		8,750	-
Cleaning		273,890	272,700
Computer expenses		5,700	9,975
Depreciation, amortisation and impairments		104,137	78,538
Employee costs		287,988	271,621
Functions and meetings		15,584	13,106
Health and safety		825	998
Improvements to CID		40,706	9,318
Insurance		15,121	11,710
Motor vehicle expenses		117,715	103,118
Printing and stationery		5,011	3,325
Projects		-	47,139
Repairs and maintenance		5,235	1,293
Security		781,000	742,810
Social projects		3,158	-
Staff welfare		1,552	3,425
Subscriptions		2,580	-
Telephone and fax		22,300	22,748
Trailer expenses		-	195
Workmens compensation		1,204	1,116
		1,731,044	1,633,858
Profit for the year		210,669	172,257
Total comprehensive income for the year		210,669	172,257

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2014	1,464,651	1,464,651
Profit for the year	172,257	172,257
Other comprehensive income	-	-
Total comprehensive income for the year	172,257	172,257
Balance at 01 July 2015	1,636,908	1,636,908
Profit for the year	210,669	210,669
Other comprehensive income	-	-
Total comprehensive income for the year	210,669	210,669
Balance at 30 June 2016	1,847,577	1,847,577

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Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
Cash flows from operating activities			
Cash receipts from customers		1,941,713	1,806,115
Cash paid to suppliers and employees		(1,550,852)	(1,662,835)
Cash generated from operations	9	390,861	143,280
Interest income		21,172	16,811
Net cash from operating activities		412,033	160,091
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(106,857)	(443,013)
Total cash movement for the year		305,176	(282,922)
Cash at the beginning of the year		482,842	765,764
Total cash at end of the year	4	788,017	482,842

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Accounting Policies

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
Boundry wall	15 years
Computer equipment	3 years
Camera equipment	5 years
Trailers	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.

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Accounting Policies

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.

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Notes to the Financial Statements

Figures in Rand

2016

2015

2. Property, plant and equipment

	2016			2015		
	Cost / Valuation	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
Boundry wall	1,158,640	(191,273)	967,367	1,152,640	(114,031)	1,038,609
Camera equipment	100,857	(13,448)	87,409	-	-	-
Computer equipment	24,395	(19,207)	5,188	24,395	(14,761)	9,634
Trailer	45,000	(27,000)	18,000	45,000	(18,000)	27,000
Total	1,328,892	(250,928)	1,077,964	1,222,035	(146,792)	1,075,243

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Boundry wall	1,038,609	6,000	(77,242)	967,367
Camera equipment	-	100,857	(13,448)	87,409
Computer equipment	9,634	-	(4,446)	5,188
Trailer	27,000	-	(9,000)	18,000
	1,075,243	106,857	(104,136)	1,077,964

3. Trade and other receivables

Deposits	1,400	1,400
Project in progress	-	105,310
Trade receivables	18,947	17,202
	20,347	123,912

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	787,517	482,342
Petty cash	500	500
	788,017	482,842

5. Trade and other payables

Payroll accrual	3,673	-
Trade payables	12,138	40,396
VAT	22,940	4,693
	38,751	45,089

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Notes to the Financial Statements

Figures in Rand

	2016	2015
6. Revenue		
Rendering of services	1,833,792	1,713,985
7. Other income		
Other income	877	833
Retention refund	83,299	71,781
Waste	2,573	2,705
	86,749	75,319
8. Auditors' remuneration		
Fees	10,773	10,260
9. Cash generated from operations		
Profit before taxation	210,669	172,257
Adjustments for:		
Depreciation and amortisation	104,137	78,538
Interest received - investment	(21,172)	(16,811)
Changes in working capital:		
Trade and other receivables	103,565	(102,524)
Trade and other payables	(6,338)	11,820
	390,861	143,280

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.