

OBSERVATORY IMPROVEMENT DISTRICT NPC
(Registration number 2008/020680/08)
Annual Financial Statements
for the year ended 30 June 2020

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Improve and promote the improvement area by providing and procuring the provision of services to and in the improvement area
Directors	ES Angless N Moodley JK Allemeier JJ Ashley CA Everatt TH Figl JN Cronje MFG Krause
Registered office	13A St Michael's Road Observatory Cape Town 7925
Business address	13A St Michael's Road Observatory Cape Town 7925
Postal address	13A St Michael's Road Observatory Cape Town 7925
Auditors	Cecil Kilpin & Co. Chartered Accountants (SA) Registered Auditor
Company registration number	2008/020680/08
Tax reference number	9024/005/19/7
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

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

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Independent Auditor's Report

To the members of Observatory Improvement District NPC

Opinion

We have audited the annual financial statements of Observatory Improvement District NPC (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Observatory Improvement District NPC as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report, and the supplementary information as set out on page 19. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 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 misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

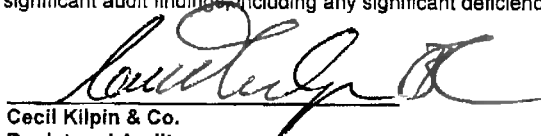
Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Cecil Kilpin & Co.
Registered Auditor
Per Partner: Sidney Schonegevel

Century City
Date: 27/08/2020

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Annual Financial Statements for the year ended 30 June 2020

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 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 auditors are 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 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 annual 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 2021 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 annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 8 to 19, which have been prepared on the going concern basis, were approved by the directors and were signed on its behalf by:

Approval of annual financial statements

N Moodley

JJ Ashley

TH Figl

CA Everatt

JK Altemeier

Cape Town

Date: 28/8/2020

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Annual Financial Statements for the year ended 30 June 2020

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Observatory Improvement District NPC for the year ended 30 June 2020.

1. Nature of business

Observatory Improvement District NPC was incorporated in South Africa with interests in the security services 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 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. Directors

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

Directors	Changes
ES Angless CLR Neville	Resigned Monday, 02 December 2019
T Jenkins	Resigned Monday, 02 December 2019
N Moodley JK Allemeier JJ Ashley TG Hughes	Resigned Monday, 02 December 2019
CA Everatt TH Figl JN Cronje	Appointed Monday, 02 December 2019
MFG Krause	Appointed Monday, 02 December 2019

The directorate expressed their sincere appreciation to the outgoing directors for their contributions during their respective periods of office.

4. 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.

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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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Directors' Report

6. Auditors

Cecil Kilpin & Co. were appointed as auditors for the company for 2020.

At the AGM, the members will be requested to reappoint Cecil Kilpin & Co. as the independent external auditors of the company and to confirm Mr Sidney Schonegevel as the designated lead audit partner for the 2021 financial year.

7. Secretary

The company secretary is U Genthe.

Postal address

13A St Michael's Road
Observatory
Cape Town
7925

Business address

13A St Michael's Road
Observatory
Cape Town
7925

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Annual Financial Statements for the year ended 30 June 2020

Statement of Financial Position as at 30 June 2020

	Note(s)	2020 R	2019 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	200 384	204 905
Current Assets			
Trade and other receivables	3	400 732	101 608
Cash and cash equivalents	4	3 038 388	3 669 017
		3 439 120	3 770 625
Total Assets		3 639 504	3 975 530
Equity and Liabilities			
Equity			
Retained income		3 501 489	3 705 390
Liabilities			
Current Liabilities			
Trade and other payables	5	138 015	270 140
Total Equity and Liabilities		3 639 504	3 975 530

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Statement of Comprehensive Income

	Note(s)	2020 R	2019 R
Revenue	6	6 163 162	5 654 277
Other income	7	308 318	138 708
Operating expenses		(6 887 817)	(5 554 898)
Operating (loss) profit	8	(416 337)	238 087
Investment revenue	9	212 436	242 770
(Loss) profit for the year		(203 901)	480 857
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(203 901)	480 857

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Statement of Changes in Equity

	Retained Income R	Total equity R
Balance at 01 July 2018	3 224 533	3 224 533
Profit for the year	480 857	480 857
Other comprehensive income	-	-
Total comprehensive income for the year	480 857	480 857
Balance at 01 July 2019	3 705 390	3 705 390
Loss for the year	(203 901)	(203 901)
Other comprehensive income	-	-
Total comprehensive loss for the year	(203 901)	(203 901)
Balance at 30 June 2020	3 501 489	3 501 489

Note(s)

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Statement of Cash Flows

	Note(s)	2020 R	2019 R
Cash flows from operating activities			
Cash (used in) generated from operations	11	(757 649)	376 126
Interest income		212 436	242 770
Net cash from operating activities		(545 213)	618 896
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(85 416)	(214 090)
Total cash movement for the year		(630 629)	404 806
Cash at the beginning of the year		3 669 017	3 264 211
Total cash at end of the year	4	3 038 388	3 669 017

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Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 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

The preparation of financial statements in conformity with IFRS for SME's requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Key sources of estimation uncertainty

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

The timing of leave pay is uncertain as leave pay is only payable when an employee leaves the employment of the company or utilised when an employee takes leave. The provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Security equipment	Straight line	3 years
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	4 years
IT equipment	Straight line	3 years
Other fixed assets	Straight line	5 years

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Accounting Policies

1.2 Property, plant and equipment (continued)

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

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.

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.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

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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 company is exempt from taxation in terms of section 10(1)(e)(i)(cc).

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 may be impaired.

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 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

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Accounting Policies

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

Observatory Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

	2020 R	2019 R
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2. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	70 795	(35 558)	35 237	89 098	(45 217)	43 881
Motor vehicles	231 268	(169 071)	62 197	186 273	(162 671)	23 602
Office equipment	24 119	(24 108)	11	39 735	(39 719)	16
IT equipment	102 952	(76 551)	26 401	73 832	(69 350)	4 482
Security equipment	177 256	(100 720)	76 536	188 224	(56 673)	131 551
Other fixed assets	24 469	(24 467)	2	24 469	(23 096)	1 373
Total	630 859	(430 475)	200 384	601 631	(396 726)	204 905

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	43 881	-	-	(8 644)	35 237
Motor vehicles	23 602	44 995	-	(6 400)	62 197
Office equipment	16	-	(5)	-	11
IT equipment	4 482	30 700	(1)	(8 780)	26 401
Security equipment	131 551	9 721	(4)	(64 732)	76 536
Other fixed assets	1 373	-	-	(1 371)	2
	204 905	85 416	(10)	(89 927)	200 384

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	2 604	47 804	(6 527)	43 881
Motor vehicles	38 950	-	(15 348)	23 602
Office equipment	10	11 088	(11 082)	16
IT equipment	8 227	2 013	(5 758)	4 482
Security equipment	16 685	153 185	(38 319)	131 551
Other fixed assets	2 401	-	(1 028)	1 373
	68 877	214 090	(78 062)	204 905

3. Trade and other receivables

Trade receivables	-	14 905
Deposits	86 825	86 703
Prepayments	313 907	-
	400 732	101 608

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Notes to the Annual Financial Statements

	2020 R	2019 R
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	68	321
Bank balances	814 117	1 321 210
Fixed deposits	2 224 203	2 347 486
	3 038 388	3 669 017

The fixed deposits respectively reached their maturity dates on 2 December 2019 and 30 June 2020 and was instructed by management to be reinvested as follows:

Investec Bank Fixed Deposits	Reinvested amount	Term	Interest	Maturity date
Account number 1100544020450	962 739	12 months	8.04% - interest capitalised monthly	02/12/2019
Account number 1100544020500	1 261 464	12 months	6.60% - interest capitalised monthly	30/06/2020

5. Trade and other payables

Trade payables	3 003	65 542
VAT	8 893	20 879
Accrued expenses	107 653	169 103
Deposits received	18 466	14 616
	138 015	270 140

6. Revenue

Rendering of services	6 163 162	5 654 277
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7. Other income

Other income	2 417	9 361
Retention refunded	305 901	129 347
	308 318	138 708

As as 30 June 2020 the retention held by City of Cape Town amounted to R190,613.00

8. Operating (loss) profit

Operating (loss) profit for the year is stated after accounting for the following:

Operating lease charges

Premises		
• Contractual amounts	299 078	291 757
Property, plant and equipment	(10)	-
Depreciation on property, plant and equipment	89 927	78 062
Employee costs	1 614 894	1 738 655

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Notes to the Annual Financial Statements

	2020 R	2019 R
9. Investment revenue		
Interest revenue		
Bank	212 436	242 770
10. Taxation		
No provision has been made for 2020 tax as the company is exempt from taxation in terms of section 10(1)(e)(i)(cc).		
11. Cash (used in) generated from operations		
(Loss) profit before taxation	(203 901)	480 857
Adjustments for:		
Depreciation and amortisation	89 927	78 062
Loss on sale of assets	10	-
Interest received	(212 436)	(242 770)
Rounding of cash flow	-	(2)
Changes in working capital:		
Trade and other receivables	(299 124)	(85 559)
Trade and other payables	(132 125)	145 538
	(757 649)	376 126
12. Auditor's remuneration		
Fees	17 500	18 900
Prior year under provision for audit fees	(1 350)	-
	16 150	18 900
13. Prescribed officer's remuneration		
Prescribed officers		
2020		
	Emoluments	Total
Chief Executive Officer	393 285	393 285
Mrs AJ Kirk		

14. Going concern

The annual 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.

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Detailed Income Statement

	Note(s)	2020 R	2019 R
Revenue			
Rendering of services		6 163 162	5 654 277
Other income			
Retention refunded		305 901	129 347
Interest received	9	212 436	242 770
Other income		2 417	9 361
		520 754	381 478
Operating expenses			
Accounting fees		50 775	48 590
AGM expenses		8 548	7 616
Advertising		-	2 684
Annual performance bonuses		-	400
Auditors remuneration	12	16 150	18 900
Bank charges		10 047	11 043
Cleaning		96 490	57 091
Communications		146 584	-
Compensation for Occupational Injuries & diseases		26 312	33 884
Computer expenses		31 270	24 442
Consulting fees		6 375	-
Covid-19 expenses		224 931	-
Depreciation, amortisation and impairments		89 927	78 062
Donations		150	-
Employee cost - PAYE & UIF		252 030	215 131
Employee costs		1 614 894	1 738 655
Environmental upgrading		120 493	7 971
Insurance		18 904	20 846
Law enforcement officers		320 332	357 120
Lease rentals on operating lease		299 078	291 757
Motor vehicle expenses		20 688	14 753
Newsletter expenses		-	43 448
Printing and stationery		14 462	12 481
Project expenses		394 133	123 055
Public safety - CCTV's		-	11 959
Rates and municipal services		50 836	11 167
Repairs and maintenance		6 845	17 180
Scrapping of assets		10	-
Secretarial fees		7 113	-
Security		2 990 336	2 268 278
Shelter fees		10 683	-
Small tools under R7000		1 825	-
Social upliftment		11 935	66 842
Staff clothing		9 272	27 575
Staff welfare		19 999	10 570
Telephone and fax		16 390	28 588
Training		-	4 810
		6 887 817	5 554 898
(Loss) profit for the year		(203 901)	480 857