

**Observatory Civic Association**

**174-174 NPO**

**Annual Financial Statements**

**For the year ended 31 March 2022**

**Observatory Civic Association**  
**Annual Financial Statements**  
**For the year ended 31 March 2022**

<b>Contents</b>	<b>Page</b>
Compilation report of the accounting officer	2
Balance sheet	3
Income and expenditure statement	4
Statement of changes in reserves	5
Cash flow statement	6
Notes to the annual financial statements	7 - 9

**Approval of annual financial statements**

The annual financial statements which appear on pages 3 to 9 have been approved and authorised for issue by the Executive Committee and are signed by

.....  
Treasurer

.....  
Date

**Accounting Officer Report  
for  
Observatory Civic Association**

On the basis of information provided by the Executive Committee of the Observatory Civic Association we have compiled the balance sheet of the Observatory Civic Association as at 31 March 2022 and the results of its operations for the year then ended as set out on pages 3 to 9. The Executive Committee of the Observatory Civic Association is responsible for these financial statements. We have not audited or reviewed these financial statements, and accordingly express no assurance thereon.

The annual financial statements are consistent with the accounting records. The accounting policies of the Association are appropriate and have been consistently applied.

To the best of our knowledge and based on the financial records made available to us it appears that the Association has complied with the provisions of the Non-Profit Organization's Act and of its Constitution.

Des Brown  
Chartered Accountant (South Africa)

**Observatory Civic Association**

**Balance Sheet as at 31 March 2022**

	Note	2022 R	2021 R
<b>Assets</b>			
<i>Non current assets</i>			
Property, plant & equipment	1	8,278	13,019
<i>Current assets</i>			
Trade and other receivables	2	45,270	30,990
Cash and cash equivalents	4	95,287	165,965
<b>Total assets</b>		<b>148,836</b>	<b>209,973</b>
<b>Members' funds and liabilities</b>			
<i>Capital and reserves</i>			
Accumulated reserves		28,131	167,691
<i>Current liabilities</i>			
Trade and other payables	3	120,705	37,667
Income tax	5	0	4,614
<b>Total member's funds and liabilities</b>		<b>148,836</b>	<b>209,973</b>

## Observatory Civic Association

### Income Statement

For the year ended 31 March 2022

	<b>2022</b>	<b>2021</b>
	<b>R</b>	<b>R</b>
<b>Income</b>	1,256,788	365,852
Parking income	267,851	255,951
Membership fees	4,780	7,895
Interest received	3,285	6,003
Donations received	980,602	96,004
Sundry income	270	0
<b>Expenditure</b>	1,396,348	268,169
Accounting fees	57,460	30,168
Advertising and promotions	90,438	26,364
Bad debts expense	2,500	5,550
Bank charges	16,469	5,896
Computer expenses	9,853	3,150
Consultants fees	189,087	24,545
Depreciation expense	4,741	4,741
Doubtful debts	6,200	2,200
Electricity	15,692	11,107
Events, functions & venues	3,187	3,327
Insurance	13,725	13,314
Legal fees	719,165	72,999
Postage	40	0
Printing & stationery	7,680	5,251
Rent paid	97,222	-95,860
Repairs & maintenance	0	0
Salaries & wages	151,928	146,764
Sanitation	10,385	8,654
Subscriptions	576	0
<b>Net Surplus for the Year</b>	-139,560	97,683
Taxation	5	4,614
<b>Surplus after Taxation</b>	-139,560	93,069

**Observatory Civic Association**

**Statement of changes in equity**

**For the year ended 31 March 2022**

	Accumulated Reserves
Balance as at 1 April 2020	74,622
Retained earnings for the period	93,069
Balance as at 1 April 2021	167,691
Retained earnings for the period	-139,560
Balance as at 31 March 2022	28,131

Observatory Civic Association

Cash flow statement for the year ended 31 March 2022

	Note	2022 R	2021 R
<b>Cash flows from operating activities</b>		-70,677	-83,710
Cash receipts from customers		1,239,222	334,881
Cash paid to suppliers and employees		1,308,570	424,594
Cash (applied to)/generated from operations		-69,348	-89,713
Interest received/(paid)		3,285	6,003
Normal tax paid		4,614	0
<b>Cash flows from investment activities</b>		0	0
Acquisition of capital assets		0	0
<b>Cash flows from financing activities</b>		0	0
Repayment of/(raising of) loans		0	0
Net movement in cash and cash equivalents		-70,677	-83,710
Cash and cash equivalents at beginning of period		165,965	249,675
Cash and cash equivalents at end of period	4	95,287	165,965

## **Observatory Civic Association**

### **Notes to the financial statements**

**For the year ended 31 March 2022**

#### **Accounting policies**

The financial statements have been prepared in accordance with generally accepted accounting practice appropriate to the society which have been consistently applied. The principle accounting policies of the society are as follows:-

#### **Basis of presentation**

The financial statements are presented on the historical cost basis as modified by the revaluation of certain property, plant and equipment, marketable securities and investment properties where appropriate. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

#### **Revenue**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, after deducting discounts, volume rebates and value added taxes.

#### **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and are depreciated over their estimated useful lives on the straight line basis.

Car park equipment is depreciated at 20% per annum

#### **Trade receivables**

Trade receivables do not carry any interest and are stated at their nominal value net of appropriate allowance for estimated irrecoverable amounts. Such allowances are raised based on an assessment of debtor ageing, past experience or known customer circumstance.

#### **Trade payables**

Trade payables are not interest bearing and are stated at their nominal value.



## Observatory Civic Association

### Notes to the financial statements

For the year ended 31 March 2022

#### Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables, trade creditors and borrowings. These instruments are generally stated at their estimated fair values.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on demand deposits. Bank overdrafts are however shown within short term borrowings in current liabilities on the balance sheet. Cash and cash equivalents in the cash flow statement are shown net of overdrafts.

#### Notes

##### 1 Property, plant and equipment

	At cost 2022	Accum deprn 2022	Carrying value 2022
Car park equipment	23,705	15,427	8,278
	23,705	15,427	8,278

	At cost 2021	Accum deprn 2021	Carrying value 2021
Car park equipment	23,705	10,686	13,019
	23,705	10,686	13,019

2022  
R

2021  
R

##### 2 Trade and other receivables

Trade receivables	44,331	30,124
Prepayments	940	865
	<u>45,270</u>	<u>30,990</u>



## Observatory Civic Association

### Notes to the financial statements

For the year ended 31 March 2022

	2022 R	2021 R
<b>3 Trade and other payables</b>		
Trade payables	118,855	35,777
Parking disc deposits	1,850	1,890
	<u>120,705</u>	<u>37,667</u>
<b>4 Cash at bank</b>		
Mercantile current account	44,256	0
Marketlink account	30,509	108,050
Current account	20,223	57,614
Cash float	300	300
	<u>95,287</u>	<u>165,965</u>
<b>5 Taxation</b>		
SA Normal taxation		
This year	0	0
Underprovision prior year	0	4614.12
Tax expense per income statement	<u>0</u>	<u>4614.12</u>
Reconciliation of tax charge		
Profit before tax per income statement	<u>-139,560</u>	<u>97,683</u>
Tax at appropriate rate	0	27,351
Exemption - section 10 (1) (e)	0	-27,351
Taxable income	<u>0</u>	<u>0</u>
Payable prior yhear	0	4,614
	<u>0</u>	<u>4614</u>