

Observatory Civic Association

174-174 NPO

Annual Financial Statements

For the year ended 31 March 2023

Observatory Civic Association
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For the year ended 31 March 2023

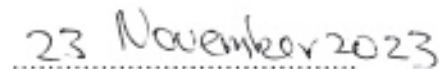
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Approval of annual financial statements

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 2023 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 2023

| | Note | 2023 R | 2022 R |
|---|------|----------------|----------------|
| Assets | | | |
| <i>Non current assets</i> | | | |
| Property, plant & equipment | 1 | 3,537 | 8,278 |
| <i>Current assets</i> | | | |
| Trade and other receivables | 2 | 10,131 | 45,270 |
| Cash and cash equivalents | 4 | 316,373 | 95,287 |
| Total assets | | 330,041 | 148,836 |
| Members' funds and liabilities | | | |
| <i>Capital and reserves</i> | | | |
| Accumulated reserves | | -372,608 | 28,131 |
| <i>Current liabilities</i> | | | |
| Trade and other payables | 3 | 702,649 | 120,705 |
| Income tax | 5 | 0 | 0 |
| Total member's funds and liabilities | | 330,041 | 148,836 |



Observatory Civic Association

Income Statement

For the year ended 31 March 2023

| | 2023 R | 2022 R |
|---------------------------------|-------------------------|-------------------------|
| Income | 2,199,725 | 1,256,788 |
| Parking income | 370,626 | 267,851 |
| Membership fees | 12,950 | 4,780 |
| Interest received | 3,638 | 3,285 |
| Donations and grants received | 1,811,111 | 980,602 |
| Sundry income | 1,400 | 270 |
| Expenditure | 2,600,464 | 1,396,348 |
| Accounting fees | 82,336 | 57,460 |
| Advertising and promotions | 15,269 | 90,438 |
| Bad debts expense | 10,450 | 2,500 |
| Bank charges | 14,474 | 16,469 |
| Computer expenses | 400 | 9,853 |
| Consultants fees | 278,685 | 189,087 |
| Depreciation expense | 4,741 | 4,741 |
| Donations and gifts | 500 | 0 |
| Doubtful debts | -4,900 | 6,200 |
| Electricity | 16,029 | 15,692 |
| Events, functions & venues | 6,320 | 3,187 |
| Insurance | 7,769 | 13,725 |
| Legal fees | 1,860,106 | 719,165 |
| Minor assets | 4,331 | 0 |
| Postage | 0 | 40 |
| Printing & stationery | 7,686 | 7,680 |
| Program resources | 10,990 | 0 |
| Rent paid | 105,000 | 97,222 |
| Salaries & wages | 168,336 | 151,928 |
| Sanitation | 11,275 | 10,385 |
| Security | 667 | 0 |
| Subscriptions | 0 | 576 |
| Net Surplus for the Year | -400,739 | -139,560 |
| Taxation | 5 | 0 |
| Surplus after Taxation | -400,739 | -139,560 |



Observatory Civic Association

Statement of changes in equity

For the year ended 31 March 2023

| | Accumulated Reserves |
|----------------------------------|----------------------|
| Balance as at 1 April 2021 | 167,691 |
| Retained earnings for the period | -139,560 |
| Balance as at 1 April 2022 | 28,131 |
| Retained earnings for the period | -400,739 |
| Balance as at 31 March 2023 | -372,608 |

Observatory Civic Association

Cash flow statement for the year ended 31 March 2023

| | Note | 2023 R | 2022 R |
|--|------|-----------|-----------|
| Cash flows from operating activities | | 221,086 | -70,677 |
| Cash receipts from customers | | 2,231,227 | 1,239,222 |
| Cash paid to suppliers and employees | | 2,013,779 | 1,308,570 |
| Cash (applied to)/generated from operations | | 217,448 | -69,348 |
| Interest received/(paid) | | 3,638 | 3,285 |
| Normal tax paid | | 0 | 4,614 |
| Cash flows from investment activities | | 0 | 0 |
| Acquisition of capital assets | | 0 | 0 |
| Cash flows from financing activities | | 0 | 0 |
| Repayment of/(raising of) loans | | 0 | 0 |
| Net movement in cash and cash equivalents | | 221,086 | -70,677 |
| Cash and cash equivalents at beginning of period | | 95,287 | 165,965 |
| Cash and cash equivalents at end of period | 4 | 316,373 | 95,287 |

Observatory Civic Association

Notes to the financial statements

For the year ended 31 March 2023

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 2023

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 2023 | Accum deprn 2023 | Carrying value 2023 |
|--------------------|-----------------|---------------------|------------------------|
| Car park equipment | 23,705 | 20,167 | 3,537 |
| | 23,705 | 20,167 | 3,537 |

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

2023
R

2022
R

2 Trade and other receivables

| | | |
|-------------------|---------------|---------------|
| Trade receivables | 9,191 | 44,331 |
| Prepayments | 940 | 940 |
| | <u>10,131</u> | <u>45,270</u> |



Observatory Civic Association

Notes to the financial statements

For the year ended 31 March 2023

| | 2023 R | 2022 R |
|--|-----------------|-----------------|
| 3 Trade and other payables | | |
| Trade payables | 700,349 | 118,855 |
| Parking disc deposits | 2,300 | 1,850 |
| | <u>702,649</u> | <u>120,705</u> |
| 4 Cash at bank | | |
| Mercantile current account | 211,087 | 44,256 |
| Marketlink account | 84,146 | 30,509 |
| Current account | 20,839 | 20,223 |
| Cash float | 300 | 300 |
| | <u>316,373</u> | <u>95,287</u> |
| 5 Taxation | | |
| SA Normal taxation | | |
| This year | 0 | 0 |
| Underprovision prior year | <u>0</u> | <u>0</u> |
| Tax expense per income statement | <u>0</u> | <u>0</u> |
| Reconciliation of tax charge | | |
| Profit before tax per income statement | <u>-400,739</u> | <u>-139,560</u> |
| Tax at appropriate rate | 0 | 0 |
| Exemption - section 10 (1) (e) | <u>0</u> | <u>0</u> |
| Taxable income | 0 | 0 |
| Payable prior year | <u>0</u> | <u>0</u> |
| | <u>0</u> | <u>0</u> |