

GAUTENG INSTITUTE FOR ARCHITECTURE

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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GAUTENG INSTITUTE FOR ARCHITECTURE

ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2020

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

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ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2020

MEMBER'S RESPONSIBILITIES AND APPROVAL

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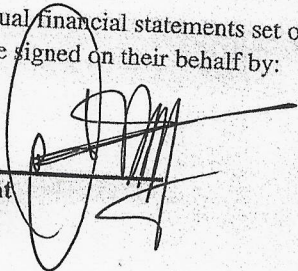
The committee members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The compiler is responsible to determine that the annual financial statements are in agreement with the accounting records.

The committee members are also responsible for the association's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual 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 committee members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on the going concern basis, since the committee members have every reason to believe that the association has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 4 to 10, were approved by the committee members on _____ and were signed on their behalf by:

President



GAUTENG INSTITUTE FOR ARCHITECTURE

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

ASSETS	Notes	2020 R	2019 R
Non current assets		1,368	45,963
Property, plant and equipment	3	1,368	2,460
Loan - Greenfields projects		-	43,503
Current assets		251,071	126,817
Trade and other receivables	4	215,650	-
Rental deposit		11,514	11,514
Cash and cash equivalents	5	23,907	115,303
Total Assets		<u>252,439</u>	<u>172,780</u>
Funds and liabilities			
Funds and reserves		(95,598)	24,123
Accumulated funds		(95,598)	24,123
Current liabilities		348,038	148,657
Trade and other payables	6	348,038	148,657
Total member's funds and liabilities		<u>252,439</u>	<u>172,780</u>

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 R	2019 R
Sales			
Cost of sales		1,368,687	1,472,167
Gross profit		<u>569,559</u>	<u>615,464</u>
Operating costs		799,128	856,702
Finance costs		922,031	1,018,115
Interest received		(775)	(1,135)
		3,957	4,761
Surplus/(Deficit) for the year		<u>(119,721)</u>	<u>(157,787)</u>
Total comprehensive surplus/(deficit) for the year		<u>(119,721)</u>	<u>(157,787)</u>

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

Balance at 1 July 2018

Deficit for the year

Balance at 1 July 2019

Surplus for the year

Balance at 30 June 2020

Accumulated Funds	Total
R	R
181,911	181,911
(157,787)	(157,787)
24,123	24,123
(119,721)	(119,721)
(95,598)	(95,598)

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CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 R	2019 R
Net cash flow from operating activities		(91,396)	(80,510)
Cash generated from operations			
Interest received	C.F.1	(94,578)	(84,136)
Sundry income		3,957	4,761
Finance charges		-	-
		(775)	(1,135)
Net cash flow from investing activities			
Additions to tangible assets		-	-
Increase/(decrease) in loans		-	-
Increase in cash and cash equivalents for the year		(91,396)	(80,510)
Cash and cash equivalents at beginning of year		115,303	195,813
Cash and cash equivalents at end of year		23,907	115,303

C.F NOTES TO THE CASH FLOW STATEMENT

C.F.1 CASH GENERATED FROM OPERATIONS

Surplus/(Deficit) before taxation		(119,721)	(157,787)
Adjusted for:		41,412	(2,534)
Depreciation		1,092	1,092
Interest received		(3,957)	(4,761)
Bad debt		43,503	-
Finance charges		775	1,135
		(78,309)	(160,321)
Changes in working capital		(16,269)	76,185
Decrease/(Increase) in trade and sundry receivables		(215,650)	13,200
(Decrease)/Increase in trade and sundry payables		199,381	62,985
		(94,578)	(84,136)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2020

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-Sized Entities' issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2. ACCOUNTING POLICIES

There have been no changes in the accounting policies during the year.

The following are the principle accounting policies used in the preparation of the financial statements:

2.1 PROPERTY, PLANT & EQUIPMENT

Tangible assets are reflected at cost less accumulated depreciation. Depreciation has been calculated on the straight-line basis over the expected economic lives of the assets concerned. The following are the rates used in calculating the depreciation.

Office Equipment	20.00%
Computer Software	50.00%
Computer Equipment	33.33%
Furniture and Fittings	16.67%

3. TANGIBLE ASSETS

	2020 R			2019 R
	Cost	Accumulated Depreciation	Net Carrying Value	Net Carrying Value
Office Equipment	151,862	151,862	-	1
Computer Software	7,099	7,099	-	1
Computer Equipment	152,253	152,253	-	3
Furniture and Fittings	6,550	5,182	1,368	2,455
	317,764	316,396	1,368	2,460

Fixed assets are made up of:

	Net carrying value at beginning of year	Additions	Depreciation	Net carrying value at end of year
Office Equipment	1	-	-	1
Computer Software	1	-	-	1
Computer Equipment	3	-	-	3
Furniture and Fittings	2,455	-	1,092	1,363
	2,460	-	1,092	1,368

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2020 (CONT)

	2020 R	2019 R
4. TRADE AND OTHER RECEIVABLES		
Customer Control Account	209,000	-
Staff loans	6,650	-
	<u>215,650</u>	<u>-</u>
5. CASH AND CASH EQUIVALENTS		
FNB 7 day interest - 74352467060	54,477	51,530
FNB business - 54861158475	(38,746)	53
FNB current - 62229694246	32	44,801
FNB call account - 61486024189	8,144	17,228
Petty cash	-	1,692
	<u>23,907</u>	<u>115,303</u>
6. TRADE AND OTHER PAYABLES		
Suppliers	118,479	18,430
Provision: BMTc	-	19,058
PAYE UIF	-	26,227
Salary Control Account	116,138	-
Leave accrual	-	58,440
VAT control	113,421	18,414
	<u>348,038</u>	<u>140,568</u>

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DETAILED STATEMENT OF COMPREHENSIVE INCOME AS AT 30 JUNE 2020

	Notes	2020 R	2019 R
Sales			
Memberships		1,368,687	1,472,167
Document sales		980,155	839,319
Seminars and events		1,843	63,552
Sponsorships and bursaries		217,689	267,946
Advertising		165,000	301,350
Other		4,000	-
		-	-
Cost of sales			
Memberships		569,559	615,464
Document purchases		221,401	298,173
Seminars and events		26,744	11,792
Sponsorships and bursaries		314,314	143,155
		7,100	162,344
Gross profit		799,128	856,702
Other income			
Interest income		3,957	4,761
		3,957	4,761
Operating expenses			
Accounting fees		922,806	1,019,251
Advertising and promotions		63,389	64,253
AGM expenses		4,100	-
Bad debt		-	38,356
Bank charges		43,503	-
Computer expenses		17,885	23,185
Consulting fees		42,517	33,630
Depreciation		22,700	2,200
SASFIN: Printer Lease		1,092	1,092
Employee costs		690	-
Entertainment		607,649	721,523
General expenses		360	1,503
Insurance		2,350	-
Interest paid		10,481	9,172
Interest and penalties- SARS		775	1,135
Printing and stationery		-	3,346
Rent		290	13,466
Repairs and maintenance		57,596	49,899
Subscription		415	2,609
Staff Welfare		5,990	1,355
Telephone and fax		625	-
Travel and entertainment		40,400	32,942
Website, internet and newsletter		-	5,049
		-	14,537
Surplus/(deficit) for the year		(119,721)	(157,787)
Total comprehensive surplus/(deficit) for the year		(119,721)	(157,787)