

# **Gauteng Institute For Architecture**

Annual Financial Statements  
for the year ended 30 June 2023  
Issued 29 August 2023

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Bankers</b>	FNB
<b>Practitioner</b>	TLB Accountants Professional Accountant (SA)
<b>Level of assurance</b>	These annual financial statements have not been audited or independently reviewed.
<b>Preparer</b>	The annual financial statements were internally compiled by: T Bartleman Professional Accountant (SA)
<b>Issued</b>	29 August 2023

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Index

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

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### **Level of assurance**

These annual financial statements have not been audited or independently reviewed.

### **Preparer**

T Bartleman  
Professional Accountant (SA)

### **Published**

29 August 2023

# Gauteng Institute For Architecture

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## Member's Responsibilities and Approval

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The committee members is responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The accounting officer is responsible to determine that the annual financial statements are in agreement with the accounting records, summarised in the manner required by section 58(2)(d) of the Act.

The committee members is also responsible for the corporation'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 has every reason to believe that the corporation has adequate resources in place to continue in operation for the foreseeable future.

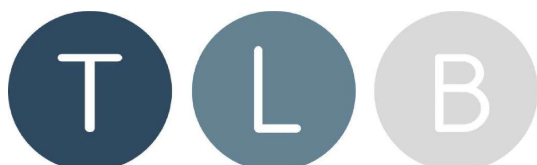
The committee members confirms that as at 30 June 2023, the assets of the corporation exceeded its liabilities.

The annual financial statements set out on pages 4 to 12, were approved by all members on 29 August 2023 and have been signed by them or on their behalf by:

### Approval of annual financial statements



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Accountants

## Practitioner's Compilation Report

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### To the Management of Gauteng Institute For Architecture

I have compiled the annual financial statements of Gauteng Institute For Architecture, as set out on pages 5 - 12, based on information you have provided. These annual financial statements comprise the statement of financial position of Gauteng Institute For Architecture as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Local legislation. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to me to compile these annual financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

A handwritten signature in black ink, appearing to be 'TB'.

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**T Bartleman**  
**Director**  
**Professional Accountant (SA)**  
**TLB Accountants**

**29 August 2023**  
**Place of signature**

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	19 113	-
<b>Current Assets</b>			
Trade and other receivables	3	1 583	90 600
Cash and cash equivalents	4	629 207	261 776
		<b>630 790</b>	<b>352 376</b>
<b>Total Assets</b>		<b>649 903</b>	<b>352 376</b>
<b>Equity and Liabilities</b>			
<b>Member's interest and reserves</b>			
Retained income		252 132	31 804
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	397 771	320 572
<b>Total Equity and Liabilities</b>		<b>649 903</b>	<b>352 376</b>

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2023	2022
Revenue		1 910 268	1 724 318
Cost of sales		(744 737)	(866 211)
<b>Gross profit</b>		<b>1 165 531</b>	<b>858 107</b>
Other income		-	897
Operating expenses		(949 336)	(685 412)
<b>Operating profit</b>		<b>216 195</b>	<b>173 592</b>
Investment revenue		4 133	2 093
Finance costs		-	(202)
<b>Profit for the year</b>		<b>220 328</b>	<b>175 483</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>220 328</b>	<b>175 483</b>

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 July 2021</b>	<b>(143 679)</b>	<b>(143 679)</b>
Profit for the year	175 483	175 483
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>175 483</b>	<b>175 483</b>
<b>Balance at 01 July 2022</b>	<b>31 804</b>	<b>31 804</b>
Profit for the year	220 328	220 328
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>220 328</b>	<b>220 328</b>
<b>Balance at 30 June 2023</b>	<b>252 132</b>	<b>252 132</b>
Note(s)		



# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Statement of Cash Flows

Figures in Rand	Note(s)	2023	2022
<b>Cash flows from operating activities</b>			
Cash receipts from customers		1 999 285	1 638 500
Cash paid to suppliers and employees		(1 615 750)	(1 460 556)
Cash generated from operations	6	383 535	177 944
Interest income		4 133	2 093
Finance costs		-	(202)
<b>Net cash from operating activities</b>		<b>387 668</b>	<b>179 835</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(20 237)	-
<b>Total cash movement for the year</b>		<b>367 431</b>	<b>179 835</b>
Cash and cash equivalents at the beginning of the year		261 776	81 941
<b>Total cash at end of the year</b>	4	<b>629 207</b>	<b>261 776</b>

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Accounting Policies

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### 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 Local legislation. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 assets which the close corporation 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 close corporation 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 close corporation.

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

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.

#### 1.2 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.

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Accounting Policies

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### 1.2 Financial instruments (continued)

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They 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 or 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.

### 1.3 Revenue

Revenue is recognised to the extent that the close corporation 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 close corporation. 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.

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Notes to the Annual Financial Statements

Figures in Rand 2023 2022

### 2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Furniture and fixtures	6 550	(6 550)	-	6 550	(6 550)	-
Office equipment	151 862	(151 862)	-	151 862	(151 862)	-
IT equipment	172 490	(153 377)	19 113	152 253	(152 253)	-
Computer software	7 099	(7 099)	-	7 099	(7 099)	-
<b>Total</b>	<b>338 001</b>	<b>(318 888)</b>	<b>19 113</b>	<b>317 764</b>	<b>(317 764)</b>	<b>-</b>

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	-	20 237	(1 124)	19 113

#### Reconciliation of property, plant and equipment - 2022

### 3. Trade and other receivables

Trade receivables	(9 931)	79 086
Deposits	11 514	11 514
	<b>1 583</b>	<b>90 600</b>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	559 563	196 266
Short-term deposits	69 644	65 510
	<b>629 207</b>	<b>261 776</b>

### 5. Trade and other payables

Trade payables	1 989	10 733
Salary control account	-	5 741
Accrued leave pay	-	22 331
VAT	395 782	281 767
	<b>397 771</b>	<b>320 572</b>

#### Interest rate swaps

## Notes to the Annual Financial Statements

Figures in Rand

2023

2022

### 5. Trade and other payables (continued)

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only trade and other payables outstanding at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

### 6. Cash generated from operations

Net profit before taxation	220 328	227 466
<b>Adjustments for:</b>		
Depreciation, amortisation, impairments and reversals of impairments	1 124	-
Investment income	(4 133)	(2 093)
Finance costs	-	202
<b>Changes in working capital:</b>		
(Increase) decrease in trade and other receivables	89 017	(136 733)
Increase (decrease) in trade and other payables	77 199	89 102
	<b>383 535</b>	<b>177 944</b>

# Gauteng Institute For Architecture

Annual Financial Statements for the year ended 30 June 2023

## Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
<b>Revenue</b>			
Rendering of services		1 910 268	1 724 318
<b>Cost of sales</b>			
Purchases		(744 737)	(866 211)
<b>Gross profit</b>		<b>1 165 531</b>	<b>858 107</b>
<b>Other income</b>			
Discount received		-	897
<b>Operating expenses</b>			
Accounting fees		(95 498)	(6 250)
Bank charges		(4 683)	(5 006)
Commission paid		(20 225)	-
Computer expenses		(139 324)	(76 654)
Depreciation, amortisation and impairments		(1 124)	-
Discount allowed		-	(1)
Employee costs		(429 267)	(533 499)
Internship program		(21 400)	-
Insurance		-	376
Lease rentals on operating lease		(191 227)	(41 160)
Motor vehicle expenses		(66)	(7)
Petrol and oil		(800)	(890)
Postage		(874)	(608)
Printing and stationery		(11 164)	(3 799)
Staff welfare		-	(469)
Telephone and fax		(32 089)	(12 634)
Training		-	(2 600)
Transport and freight		(1 595)	(2 211)
		<b>(949 336)</b>	<b>(685 412)</b>
<b>Operating profit</b>		<b>216 195</b>	<b>173 592</b>
Investment income		4 133	2 093
Finance costs		-	(202)
		<b>4 133</b>	<b>1 891</b>
<b>Profit for the year</b>		<b>220 328</b>	<b>175 483</b>