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WS&A

Beyond Accounting

IWM - SA CENTRAL BRANCH Financial statements for the year ended 30 June 2014

Wayne Smith and Associates
Chartered Accountant (S.A.)
Registered Auditor
Published 30 September 2014

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

General Information

Country of incorporation and domicile	South Africa
Registered office	Shop 2 Weltevreden Park Shopping Centre Rinyani Street Weltevreden Park 1709
Business address	Shop 2 Weltevreden Park Shopping Centre Rinyani Street Weltevreden.Park 1709
Postal address	PO Box 79 Allen's Nek 1737
Bankers	Standard Bank Limited
Compiler	Wayne Smith and Associates Chartered Accountant (S.A.) Registered Auditor SAICA

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

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The reports and statements set out below comprise the financial statements presented to the Executive Officer: Gail Smit:

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Practitioner's Compilation Report

To IWM - SA CENTRAL BRANCH

I have compiled the financial statements of IWM - SA CENTRAL BRANCH, as set out on pages 6 - 13, based on the information you have provided. These financial statements comprise the statement of financial position of IWM - SA CENTRAL BRANCH as at 30 June 2014, 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 financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These 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 us to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Wayne Smith
Partner
Registered Auditor
SAICA

25 Equity Drive
Blairgowrie
Johannesburg
South Africa
2196

30 September 2014

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Executive Officer's Responsibilities and Approval

The executive officer is required by the Companies Act of South Africa, 2008, to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation 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 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 officer 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 officer to meet these responsibilities, the executive committee 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 or and all employees are required to maintain the highest ethical standards in ensuring the organisation'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 officer is 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The officers have reviewed the company's cash flow forecast for the year to 30 June 2015 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.



Gail Smit

30 September 2014

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Executive Officer's Report

The Executive officer have pleasure in submitting their report on the financial statements of IWM - SA CENTRAL BRANCH and its associates for the year ended 30 June 2014.

1. Nature of business

IWM - SA CENTRAL BRANCH was incorporated in South Africa with interests in the Services industry. The company operates in South Africa,.

2. Review of financial results and activities

The 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 of South Africa, 2008. The accounting policies have been applied consistently compared to the prior year.

The company recorded a loss after tax for the year ended 30 June 2014 of R(11 376). This represented an increase from the loss after tax of the prior year of R49 059.

Company revenue increased by 47% from R271 871 in the prior year to R514 904 for the year ended 30 June 2014

Company cash flows from operating activities decreased from R54 503 in the prior year to R(16 457) for the year ended 30 June 2014.

3. Executive Officer

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

Executive Officer

Gail Smit

Treasurer: Sidney Crampton

There have been no changes to the directorate for the period under review.

4. Officers' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 30 June 2014 the company's investment in property, plant and equipment amounted to R13 210 (2013:R17 974), of which R- (2013: R15 320) was added in the current year through additions.

6. Interests in associates and joint arrangements

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the financial statements in notes .

The interest of the company in the profits and losses of its subsidiaries, associates and joint arrangements for the year ended 30 June 2014 are as follows:

7. 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.

8. Auditors

Wayne Smith and Associates continued in office as auditors for the company for 2014.

At the AGM, the executive officer will be requested to reappoint Wayne Smith and Associates as the independent external auditors of the company and to confirm Wayne Smith as the designated lead audit partner for the 2015 financial year.

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Statement of Financial Position as at 30 June 2014

Figures in Rand	2014	2013
Assets		
<i>Non-Current Assets</i>		
Property, plant and equipment	13 210	17 974
<i>Current Assets</i>		
Short-term Investment	266 121	255 557
Cash and cash equivalents	106 900	133 921
	373 021	389 478
Total Assets	386 231	407 452
Equity and Liabilities		
Equity		
Retained income	386 231	397 607
Liabilities		
<i>Current Liabilities</i>		
Trade and other payables	-	9 845
Total Equity and Liabilities	386 231	407 452

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Statement of Comprehensive Income

Figures in Rand	2014	2013
Revenue		
Membership dues	30 551	11 650
Golf day income	-	18 386
Registration fees	392 995	20 800
Training course income	64 658	201 035
Seminars income	26 700	20 000
	5	271 871
Other income		
Abstract Advertising	4 500	-
Bank interest received	10 407	9 593
	14 907	9 593
Operating expenses		
Administration and management fees	(3 280)	(1 000)
Advertising	(1 126)	(3 098)
Bank charges	(4 044)	(3 040)
Bookkeeping expenses	(2 385)	(1 965)
Conference fees	-	(6 357)
Computer expenses	(688)	(2 210)
Depreciation	(4 764)	(4 764)
Employee costs	(38 045)	(53 704)
Entertainment	(220)	(1 870)
GIGSA distribution	(99 265)	-
Gifts Golf Day	(4 959)	(9 474)
Venue hire	(251 709)	(30 761)
Insurance	(17 281)	-
LIG expenses	(8 220)	-
Marketing consultants	(626)	-
Printing and stationery training	(31 662)	(1 997)
Refreshments	-	(310)
Staff welfare	(5 875)	-
SAICE Course	(6 140)	(2 851)
Subscriptions	(395)	(395)
Telephone and fax	(2 000)	(2 598)
Training courses	(34 860)	(99 798)
Travel - local	(23 485)	(6 213)
Website	(158)	-
	(541 187)	(232 405)
(Loss) profit for the year	(11 376)	49 059
Total comprehensive (loss) income for the year	(11 376)	49 059

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2012	348 548	348 548
Profit for the year	49 059	49 059
Other comprehensive income	-	-
Total comprehensive income for the year	49 059	49 059
Balance at 01 July 2013	397 607	397 607
Loss for the year	(11 376)	(11 376)
Other comprehensive income	-	-
Total comprehensive loss for the year	(11 376)	(11 376)
Balance at 30 June 2014	386 231	386 231

Note(s)

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Statement of Cash Flows

Figures in Rand	2014	2013
Cash flows from operating activities		
Cash receipts from customers	-	271 871
Cash paid to suppliers and employees	(26 864)	(226 961)
Cash (used in) generated from operations	(26 864)	44 910
Interest income	10 407	9 593
Net cash from operating activities	(16 457)	54 503
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(15 320)
32 Day Notice deposit growth	(10 564)	-
Net cash from investing activities	(10 564)	(15 320)
Total cash movement for the year	(27 021)	39 183
Cash at the beginning of the year	133 921	350 295
Cash balances	-	(255 557)
Total cash at end of the year	106 900	133 921

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa, 2008. The 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 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Furniture and fixtures	6 years
Office equipment	5 years
IT equipment	5 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 Financial instruments

Financial instruments at amortised cost

Debt instruments, as defined in 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 the end of 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 so, an impairment loss is recognised

1.3 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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.

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Accounting Policies

1.4 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.5 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Notes to the Financial Statements

Figures in Rand 2014 2013

2. Property, plant and equipment

	2014			2013		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost / Valuation	Accumulated depreciation and impairments	Carrying value
IT equipment	23 820	(10 610)	13 210	23 820	(5 846)	17 974

Reconciliation of property, plant and equipment - 2014

	Opening balance	Depreciation	Total
IT equipment	17 974	(4 764)	13 210

Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Depreciation	Total
IT equipment	7 418	15 320	(4 764)	17 974

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	106 900	133 921
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4. Trade and other payables

Trade payables	-	9 845
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5. Revenue

Membership Dues	30 551	11 650
Golf day income	-	18 386
Registration fees	392 995	20 800
Training course fees	64 658	201 035
Sponsorships	26 700	20 000
	514 904	271 871

6. Taxation

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting (loss) profit	(11 376)	49 059
Tax at the applicable tax rate of 28%% (2013: 28%%)	-	13 737

IWM - SA CENTRAL BRANCH

Financial Statements for the year ended 30 June 2014

Notes to the Financial Statements

Figures in Rand	2014	2013
7: Cash (used in) generated from operations		
(Loss) profit before taxation	(11 376)	49 059
Adjustments for:		
Depreciation and amortisation	4 764	4 764
Interest received - investment	(10 407)	(9 593)
Changes in working capital:		
Trade and other payables	(9 845)	680
	(26 864)	44 910