

# WAYNE SMITH AND ASSOCIATES

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# WS&A

*Beyond Accounting*

## WASTECON

Financial statements  
for the year ended 30 June 2014

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

# WASTECON

Financial Statements for the year ended 30 June 2014

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Institute for waste management
<b>Registered office</b>	Shop 2 Weltevreden Park Shopping Centre Rinyani Street Weltevreden Park 1715
<b>Business address</b>	Shop 2 Weltevreden Park Shopping Centre Rinyani Street Weltevreden Park 1715
<b>Postal address</b>	PO Box 79 Allens Nek 1737
<b>Bankers</b>	Standard Bank Limited
<b>Accounting Officer</b>	Wayne Smith and Associates Chartered Accountant (S.A.) Registered Auditor SAICA

# WASTECON

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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### **Level of assurance**

These financial statements have not been audited or independently reviewed.

### **Published**

30 September 2014

# Practitioner's Compilation Report

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## To WASTECON

I have compiled the financial statements of WASTECON, as set out on pages 6 - 11, based on the information you have provided. These financial statements comprise the statement of financial position of WASTECON 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**

# WASTECON

Financial Statements for the year ended 30 June 2014

## Executive Officer Responsibilities and Approval

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The officers are required by the South African Companies Act 71 of 2008, to maintain adequate accounting records and are 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 company 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 officers 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 directors to meet these responsibilities, the board of directors 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 company and all employees are required to maintain the highest ethical standards in ensuring the company'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 officers are 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.



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Gail Smit



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Treasurer: Sidney Crampton

# WASTECON

Financial Statements for the year ended 30 June 2014

## Executive Officers' Report

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The officers have pleasure in submitting their report on the financial statements of WASTECON and its associates for the year ended 30 June 2014.

### 1. Nature of business

WASTECON 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 South African Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 3. Executive Officer

The officers 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. Directors' 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 R- (2013:R-), of which R- (2013: R-) 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 officers are not aware of any material event which occurred after the reporting date and up to the date of this report.

### 8. Secretary

The company secretary is Gail Smit.

# WASTECON

Financial Statements for the year ended 30 June 2014

## Statement of Financial Position as at 30 June 2014

Figures in Rand	Note(s)	2014	2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	388 963	-
<b>Total Assets</b>		<b>388 963</b>	<b>-</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		285 291	-
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loan from- IWMHO	3	98 060	-
<b>Current Liabilities</b>			
Trade and other payables	4	5 612	-
<b>Total Liabilities</b>		<b>103 672</b>	<b>-</b>
<b>Total Equity and Liabilities</b>		<b>388 963</b>	<b>-</b>

# WASTECON

Financial Statements for the year ended 30 June 2014

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2014	2013
<b>Revenue</b>			
Exhibition income		517 038	253 448
Sponsorship income		22 000	-
Registration income		481 425	1 803 239
	5	<b>1 020 463</b>	<b>2 056 687</b>
<b>Other income</b>			
Distribution from Head office		-	89 547
<b>Operating expenses</b>			
Accounting fees		(7 615)	(5 979)
Administration and management fees		(2 013)	(20 525)
Advertising & Marketing		(27 478)	(48 131)
Audio Visual Presentation		-	(91 238)
Bank charges		(2 310)	(3 658)
Catering		-	(4 200)
Commission - Conferences, Meetings & Seminars		(55 974)	(82 932)
Computer expenses		(21 700)	(5 193)
Exhibition fees		-	(37 275)
Bookkeeping Fees		(1 257)	(731)
Decor expenses		(7 740)	(26 305)
Distribution to Head Office		-	(898 060)
Entertainment		(877)	(9 055)
Employee costs		-	(1 840)
Golf expenses		-	(20 128)
Meeting expenses		(4 807)	-
Project expenses		(30 000)	(864)
Promotional gifts		(9 000)	(44 465)
Printing and stationery		(1 788)	(13 535)
Staff welfare		-	(1 893)
Stand building		-	(154 280)
Telephone and fax		(5 263)	(1 498)
Travel - local		(33 658)	(149 661)
Venue Hire		(502 632)	(1 118 010)
Website Hosting		(21 060)	(8 210)
		<b>(735 172)</b>	<b>(2 747 666)</b>
<b>Profit (loss) for the year</b>		<b>285 291</b>	<b>(601 432)</b>
<b>Total comprehensive income (loss) for the year</b>		<b>285 291</b>	<b>(601 432)</b>



# WASTECON

Financial Statements for the year ended 30 June 2014

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 July 2012</b>	<b>601 432</b>	<b>601 432</b>
Loss for the year	(601 432)	(601 432)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(601 432)</b>	<b>(601 432)</b>
Profit for the year	285 291	285 291
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>285 291</b>	<b>285 291</b>
<b>Balance at 30 June 2014</b>	<b>285 291</b>	<b>285 291</b>

Note(s)

# WASTECON

Financial Statements for the year ended 30 June 2014

## Statement of Cash Flows

Figures in Rand	Note(s)	2014	2013
<b>Cash flows from operating activities</b>			
Cash receipts from customers		-	2 146 235
Cash paid to suppliers and employees		290 903	(2 747 667)
Cash generated from (used in) operations	6	290 903	(601 432)
<b>Net cash from operating activities</b>		<b>290 903</b>	<b>(601 432)</b>
<b>Cash flows from financing activities</b>			
Repayment of loan from- iwmho		98 060	(64 828)
<b>Net cash from financing activities</b>		<b>98 060</b>	<b>(64 828)</b>
<b>Total cash movement for the year</b>		<b>388 963</b>	<b>(666 260)</b>
Cash at the beginning of the year		-	666 260
<b>Total cash at end of the year</b>	2	<b>388 963</b>	-

# WASTECON

Financial Statements for the year ended 30 June 2014

## Accounting Policies

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### 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 South African Companies Act 71 of 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 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

#### 1.2 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.

# WASTECON

Financial Statements for the year ended 30 June 2014

## Notes to the Financial Statements

Figures in Rand

2014

2013

### 2. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	388 963	-
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### 3. Loan from- IWMHO

#### At amortised cost

IWM HO Bridging Finance	98 060	-
Loan extended to a branch at 0% and no repayment terms are in place.		

#### Non-current liabilities

At amortised cost	98 060	-
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### 4. Trade and other payables

Trade payables	1	-
Recoverable Disbursements	5 611	-
	<b>5 612</b>	-

### 5. Revenue

Exhibition Fees	517 038	253 448
Sponsorship Fees	22 000	-
Registration Fees	481 425	1 803 239
	<b>1 020 463</b>	<b>2 056 687</b>

### 6. Cash generated from (used in) operations

Profit (loss) before taxation	285 291	(601 432)
<b>Changes in working capital:</b>		
Trade and other payables	5 612	-
	<b>290 903</b>	<b>(601 432)</b>