

**LEISURE ISLE  
RESIDENTS ASSOCIATION**

**ANNUAL FINANCIAL STATEMENTS**

**31 OCTOBER 2016**

**IAN UYS AND COMPANY**



**LEISURE ISLE RESIDENTS ASSOCIATION  
ANNUAL FINANCIAL STATEMENTS  
as at 31 October 2016**

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**APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS**

The annual financial statements set out on pages 2 to 7 were approved by the members and are signed by:

.....  
**CHAIRMAN**

.....  
**COMMITTEE MEMBER**

**AUDITOR'S REPORT  
TO LEISURE ISLE RESIDENTS ASSOCIATION**

Page 2

The annual financial statements for the year ended 31 October 2016 as set out on pages 3 to 7 are the responsibility of the Committee members.

We have determined that the financial statements are in agreement with the accounting records and have done so by adopting such procedures and conducting such enquiries in relation to the books of accounts and records as we considered necessary in the circumstances.

In our opinion these financial statements fairly present the position of the Association at the year end and the results of its operation for the year ended.

We have also reviewed the accounting policies which have been presented to us as having been applied in the preparation of the annual financial statements, and we consider that they are appropriate to the Association.

The detailed income statement on page 7 has been prepared for management purposes and has not been audited.

.....  
**IAN UYS AND COMPANY  
CHARTERED ACCOUNTANTS (SA)**

12 November 2016

**4638 LIRA 2016**

**LEISURE ISLE RESIDENTS ASSOCIATION**  
**BALANCE SHEET**  
**as at 31 October 2016**

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	Notes	2016 R	2015 R
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Fixed assets	2	180 890	217 911
CURRENT ASSETS			
Banks		406 471	310 879
		<u>587 361</u>	<u>217 911</u>
<b>EQUITY AND LIABILITIES</b>			
CAPITAL AND RESERVES			
Accumulated surplus		216 080	208 442
Guard Hut Contributions	3	145 493	174 007
Camera replacement reserve		96 491	96 491
CURRENT LIABILITIES			
Trade payables		13 400	18 350
Prepayments		22 740	19 900
Provisions		93 157	11 600
		<u>587 361</u>	<u>528 790</u>

**LEISURE ISLE RESIDENTS ASSOCIATION**  
**INCOME STATEMENT**  
**for the year ended 31 October 2016**

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	2 016 R	2 015 R
INCOME	1 193 941	1 146 434
Less OPERATING COSTS	1 132 654	1 009 540
	<hr/>	<hr/>
OPERATING SURPLUS BEFORE DISCLOSABLE ITEMS	61 287	136 894
Less disclosable items	3 649	7 576
Audit fees	11 600	9 633
Interest received	-32 339	-21 238
Depreciation	24 388	19 181
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	57 638	129 318
Less legal cost provision – sea wall	-50 000	0
	<hr/>	<hr/>
	7 638	129 318
ACCUMULATED SURPLUS		
Brought forward	208 442	79 124
	<hr/>	<hr/>
ACCUMULATED SURPLUS	216 080	208 442
	<hr/> <hr/>	<hr/> <hr/>

**LEISURE ISLE RESIDENTS ASSOCIATION**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**For the year ended 31 October 2016**

**1 ACCOUNTING POLICIES**

The annual financial statements are prepared on the historical cost basis and incorporate the following principal accounting policy:

**1.1 DEPRECIATION**

Fixed assets are depreciated on the straight line basis at rates considered appropriate to reduce them to estimated residual values at the end of their useful lives.

<b>2 FIXED ASSETS</b>	<b>Guard Hut (Leasehold) R</b>	<b>Security Equipment</b>	<b>Computer Equipment R</b>	<b>Total R</b>
<b>2016</b>				
<b>Cost</b>				
Balance at 1 November 2015	281 536	76 559	0	358 095
Additions	0	15 881	0	15 881
Sales and scrapping	0	0	0	0
Balance at 31 October 2016	<u>281 536</u>	<u>92 440</u>	<u>0</u>	<u>373 976</u>
<b>Accumulated depreciation</b>				
Balance at 1 November 2015	112 976	27 208	0	140 184
Guard Hut Amortisation	28 514	0	0	28 514
Depreciation	0	24 388	0	24 388
Balance at 31 October 2016	<u>141 490</u>	<u>51 596</u>	<u>0</u>	<u>193 086</u>
Carrying amount at 31 October 2016	<u>140 046</u>	<u>40 844</u>	<u>0</u>	<u>180 890</u>
<b>2015</b>				
<b>Cost</b>				
Balance at 1 November 2014	281 536	164 001	5 155	450 692
Additions	0	59 658	0	59 658
Sales and scrapping	0	-147 100	-5 155	-152 255
Balance at 31 October 2015	<u>281 536</u>	<u>76 559</u>	<u>0</u>	<u>358 095</u>
<b>Accumulated depreciation</b>				
Balance at 1 November 2014	84 462	155 127	5 155	244 744
Charges for the year	0	19 181	0	19 181
Guard Hut Amortisation	28 514	0	0	28 514
Depreciation reversed	0	-147 100	-5 155	-152 255
Balance at 31 October 2015	<u>112 976</u>	<u>27 208</u>	<u>0</u>	<u>140 184</u>
Carrying amount at 31 October 2015	<u>168 560</u>	<u>49 351</u>	<u>0</u>	<u>217 911</u>

### **3 GUARD HUT CONTRIBUTIONS**

This represents donations made by certain members to fund the building of the guard hut and the upgrade of the entrance to the Island.

This amount will be applied against the depreciation of the guard hut and entrance over ten years commencing 1 November 2011. The guard hut and entrance have been erected on leasehold ground.

### **4 ISLAND SAFETY AND SECURITY EXPENSES**

	2016	2015
	R	R
Guard's radios	0	4 200
Guard house maintenance	0	5 875
Transport	38 700	36 000
Guard's salaries	870 062	615 367
Allsound Security management fee	0	185 846
	<u>908 762</u>	<u>847 288</u>



**LEISURE ISLE RESIDENTS ASSOCIATION**  
**DETAILED INCOME STATEMENT**  
**For the year ended 31 October 2016**

	Notes	2016 R	2015 R
<b>INCOME</b>		1 193 941	1 146 434
Levies received		1 155 102	1 123 896
Interest received		32 339	21 238
Donations received		6 500	1 300
<b>EXPENDITURE</b>		1 136 303	1 017 116
Audit fees		11 600	9 633
Accounting fees		12 700	12 600
AGM and entertainment		2 371	1 898
Bank charges		17 409	17 300
Camera maintenance		0	1 956
Depreciation	1.1	24 388	19 181
Electricity and water		13 667	19 394
Insurance		7 532	8 510
Legal and consulting fees		34 860	0
Maintenance Northern Shores		42 000	40 000
Maintenance of public areas		32 827	34 240
Postage		380	363
Printing and stationery		946	479
Repairs and maintenance		4 115	0
Security expenses	4	908 762	847 288
Signage		18 431	250
Website		4 315	4 024
<b>SURPLUS</b> for the year		57 638	129 318
Plus disclosable items		3 649	7 576
<b>OPERATING SURPLUS</b> before disclosable items		61 287	136 894

# IAN UYS & COMPANY

Chartered Accountants (SA)

Registered Accountants

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## AUDITOR'S REPORT TO LEISURE ISLE RESIDENTS ASSOCIATION

Page 2

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IAN UYS AND COMPANY  
CHARTERED ACCOUNTANTS (SA)

12 November 2016

Ian S Uys DWD B Comm CA (SA) CEA  
In Association with Fortress Financial Services CC

4638 LIRA 2016