

**PLETT TOURISM ASSOCIATION  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Promoting and marketing of Plettenberg Bay and the Bitou area as a desirable tourism destination
<b>Registered office</b>	86 Longships Drive Plettenberg Bay 6600
<b>Postal address</b>	PO Box 2344 Plettenberg Bay 6600
<b>Practitioners</b>	Mazars Registered Auditor
<b>Issued</b>	28 September 2021

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Contents**

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

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## Practitioner's Compilation Report

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### To Plett Tourism Association

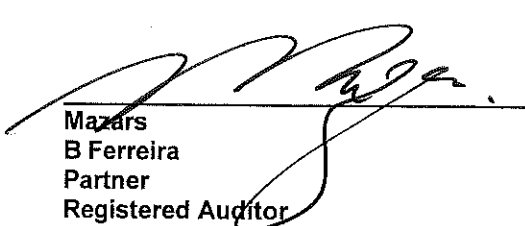
We have compiled the annual financial statements of Plett Tourism Association, as set out on pages 5 - 12, based on information you have provided. These annual financial statements comprise the statement of financial position of Plett Tourism Association as at 30 June 2021, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements on the International Financial Reporting Standard for Small and Medium-sized Entities to the annual financial statements. We 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, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we 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.



Mazars  
B Ferreira  
Partner  
Registered Auditor  
28 September 2021  
Plettenberg Bay

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Board's Responsibilities and Approval**

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The board is required by the Companies Act of South Africa, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his responsibility to ensure that the annual financial statements fairly present the state of affairs of the association 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 annual 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 board acknowledges that they are ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the board to meet these responsibilities, the board 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 association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The board 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The board have reviewed the association's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board on 28 September 2021 and were signed by:



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**Chairperson**

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Statement of Financial Position as at 30 June 2021**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2021</b>	<b>2020</b>
<b>Assets</b>			
<b>Current Assets</b>			
Trade and other receivables	3	83,600	107,547
Cash and cash equivalents	4	338,853	331,924
		<b>422,453</b>	<b>439,471</b>
<b>Total Assets</b>		<b>422,453</b>	<b>439,471</b>
<b>Funds and Liabilities</b>			
<b>Funds and reserves</b>			
Accumulated surplus		404,093	439,471
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	18,360	-
<b>Total Funds and Liabilities</b>		<b>422,453</b>	<b>439,471</b>

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Statement of Comprehensive Income**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>	6	<b>2,535,801</b>	<b>3,608,471</b>
<b>Operating expenses</b>			
AGM expenses		-	5,050
Bad debts		7,047	7,500
Bank charges		8,337	17,512
Cleaning		12,114	13,003
Compilers remuneration		13,553	9,672
Depreciation, amortisation and impairments		-	2,520
Employee costs		480,920	490,577
Event costs		86,848	332,418
Insurance		4,853	-
Legal expenses		1,800	-
Magazine publication expenses		1,300	553,003
Marketing		141,093	655,244
Meeting expenses		38,760	26,405
Municipal expenses		12,087	13,698
Office supplies		32,893	22,757
Outsourced and professional fees		1,388,118	1,107,355
Postage		-	1,290
Printing and stationery		-	265
Repairs and maintenance		3,841	6,037
Subscriptions		1,700	-
Telephone and fax		34,918	38,231
Website costs		324,211	292,083
		<b>2,594,393</b>	<b>3,594,620</b>
<b>Operating (deficit) surplus</b>	7	<b>(58,592)</b>	<b>13,851</b>
Investment income	8	23,214	48,209
<b>(Deficit) surplus for the year</b>		<b>(35,378)</b>	<b>62,060</b>

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Statement of Changes in Funds**

<b>Figures in Rand</b>	<b>Accumulated Total funds surplus</b>	
<b>Balance at 01 July 2019</b>	<b>377,411</b>	<b>377,411</b>
<b>Surplus for the year</b>	<b>62,060</b>	<b>62,060</b>
<b>Balance at 01 July 2020</b>	<b>439,471</b>	<b>439,471</b>
<b>Deficit for the year</b>	<b>(35,378)</b>	<b>(35,378)</b>
<b>Balance at 30 June 2021</b>	<b>404,093</b>	<b>404,093</b>



**Plett Tourism Association  
Annual Financial Statements for the year ended 30 June 2021  
Statement of Cash Flows**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>			
Cash used in operations	9	(16,285)	(53,927)
Interest income		23,214	48,209
<b>Net cash from operating activities</b>		<b>6,929</b>	<b>(5,718)</b>
<b>Cash flows from investing activities</b>			
Proceeds on sale of property, plant and equipment	2	-	12,000
<b>Total cash movement for the year</b>		<b>6,929</b>	<b>6,282</b>
Cash at the beginning of the year		331,924	325,642
<b>Total cash at end of the year</b>	4	<b>338,853</b>	<b>331,924</b>

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**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, the Western Cape Tourism Act 2004 (Act 1 of 2004) and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee. The annual financial statements have been prepared on the historical cost basis. 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 association 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.

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory. Changes to their estimates are recognised as an adjustment to the cost of the item of property, plant and equipment.

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 company.

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

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<b>Item</b>	<b>Average useful life</b>
Motor vehicles	4 years
IT equipment	3 years

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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 surplus or deficit when the item is derecognised.

**1.2 Financial instruments**

**Financial instruments at amortised cost**

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of 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 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 surplus or deficit.

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Accounting Policies**

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**1.3 Revenue**

Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Donations, fundraising income and membership fees are recognised when the amounts are physically received.

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Notes to the Annual Financial Statements**

Figures in Rand 2021      2020

**2. Property, plant and equipment**

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	44,315	(44,315)	-	44,315	(44,315)	-

**Reconciliation of property, plant and equipment - 2020**

	Opening balance	Disposals	Depreciation	Closing balance
Motor vehicles	14,520	(12,000)	(2,520)	-

**3. Trade and other receivables**

Trade receivables	83,600	107,547
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**4. Cash and cash equivalents**

Cash and cash equivalents consist of:

Cash on hand	7,555	5,500
Bank balances	331,298	326,424
	<b>338,853</b>	<b>331,924</b>

**5. Trade and other payables**

Payroll accruals	18,360	-
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**6. Revenue**

Advertising sales	3,800	677,024
Commissions received	31,351	2,487
Funding received	2,401,500	2,778,200
Membership fees	99,150	150,760
	<b>2,535,801</b>	<b>3,608,471</b>

**7. Operating (deficit) surplus**

Operating (deficit) surplus for the year is stated after accounting for the following:

Depreciation on property, plant and equipment	-	2,520
Employee costs	480,920	490,577

**8. Investment revenue**

Interest revenue		
Bank	23,214	48,209

**Plett Tourism Association**  
**Annual Financial Statements for the year ended 30 June 2021**  
**Notes to the Annual Financial Statements**

Figures in Rand	2021	2020
<b>9. Cash used in operations</b>		
(Deficit) surplus before taxation	(35,378)	62,060
<b>Adjustments for:</b>		
Depreciation and amortisation	-	2,520
Interest received	(23,214)	(48,209)
<b>Changes in working capital:</b>		
Trade and other receivables	23,947	22,050
Trade and other payables	18,360	(92,348)
	<b>(16,285)</b>	<b>(53,927)</b>
<b>10. Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Trade and other receivables	83,600	107,547
Cash and cash equivalents	338,853	331,924
	<b>422,453</b>	<b>439,471</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	18,360	-
<b>11. Event costs</b>		
Events - December Streetlight Party	-	145,292
Events - Garden Route Film Fest	5,750	-
Events - History Festival	-	260
Events - Koos Roets Show	9,927	-
Events - LBGT Seminar	4,789	-
Events - Mayoral Golf Day	-	200
Events - New Year's Eve Concert	-	50,200
Events - Plett Adventure Racing Team	5,000	-
Events - Plett Arts Festival	31,382	9,705
Events - Plett High Five	-	119,011
Events - SA Seniors Golf	-	1,950
Events - The Plett Movie	30,000	-
Events - Wine and Bubbly Festival	-	467
Events - Winelands	-	5,333
	<b>86,848</b>	<b>332,418</b>