

**PLETT TOURISM ASSOCIATION
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promoting and marketing of Plettenberg Bay and the Bitou area as a desirable tourism destination
Registered office	86 Longships Drive Plettenberg Bay 6600
Postal address	PO Box 2344 Plettenberg Bay 6600
Practitioners	Mazars Registered Auditor
Issued	02 September 2022

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
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Practitioner's Compilation Report

To Plett Tourism Association

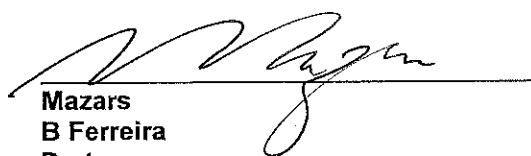
We have compiled the annual financial statements of Plett Tourism Association, as set out on pages 5 - 12, based on information you have provided. These annual financial statements comprise the statement of financial position of Plett Tourism Association as at 30 June 2022, the statement of comprehensive 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 in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. 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
02 September 2022
Plettenberg Bay

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Board's Responsibilities and Approval

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.

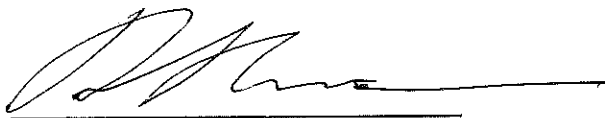
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The board acknowledges that he is ultimately responsible for the system of internal financial control established by the association and places 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 2023 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 02 September 2022 and were signed by:



Chairperson

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Statement of Financial Position as at 30 June 2022

Figures in Rand	Notes	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	2	25,045	-
Current Assets			
Trade and other receivables	3	58,020	83,600
Cash and cash equivalents	4	573,093	338,853
		631,113	422,453
Total Assets		656,158	422,453
Funds and Liabilities			
Funds and reserves			
Accumulated surplus		491,333	404,093
Liabilities			
Current Liabilities			
Trade and other payables	5	13,002	18,360
Provisions		151,823	-
		164,825	18,360
Total Funds and Liabilities		656,158	422,453

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Statement of Comprehensive Income

Figures in Rand	Notes	2022	2021
Revenue	6	4,057,825	2,535,801
Other income			
Insurance payout		9,000	-
Operating expenses			
Accounting fees		9,545	13,553
AGM costs		12,973	-
Bad debts		9,000	7,047
Bank charges		12,384	8,337
Cleaning		10,534	12,114
Computer expenses		2,209	-
Depreciation, amortisation and impairments		7,219	-
Employee costs		423,152	480,920
Events costs	12	869,119	86,848
Insurance		7,298	4,853
Legal expenses		-	1,800
Magazine publication expenses		-	1,300
Marketing		668,613	141,093
Meeting expenses		41,527	38,760
Municipal expenses		14,060	12,087
Office supplies		28,112	32,893
Outsourced and professional fees		1,223,500	1,388,118
Postage		685	-
Repairs and maintenance		6,970	3,841
Subscriptions		3,960	1,700
Telephone and fax		41,601	34,918
Travel		283,284	-
Website costs		335,853	324,211
		4,011,598	2,594,393
Operating surplus (deficit)		55,227	(58,592)
Investment income	9	32,013	23,214
Surplus (deficit) for the year		87,240	(35,378)

**Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Statement of Changes in Funds**

Figures in Rand	Accumulated surplus	Total funds
Balance at 01 July 2020	439,471	439,471
Deficit for the year	(35,378)	(35,378)
Balance at 01 July 2021	404,093	404,093
Surplus for the year	87,240	87,240
Balance at 30 June 2022	491,333	491,333

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Statement of Cash Flows

Figures in Rand	Notes	2022	2021
Cash flows from operating activities			
Cash generated from (used in) operations	10	234,491	(16,285)
Interest income		32,013	23,214
Net cash from operating activities		266,504	6,929
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(32,264)	-
Total cash movement for the year		234,240	6,929
Cash at the beginning of the year		338,853	331,924
Total cash at end of the year	4	573,093	338,853

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Accounting Policies

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 association.

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

Item	Average useful life
Motor vehicles	4 years
IT equipment	3 years

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.

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Accounting Policies

1.2 Financial instruments

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.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding sale, 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 2022
Notes to the Annual Financial Statements

Figures in Rand	2022			2021		
2. Property, plant and equipment						
	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
IT equipment	72,729	(47,684)	25,045	44,315	(44,315)	-
Reconciliation of property, plant and equipment - 2022						
	Opening balance	Additions	Depreciation	Closing balance		
IT equipment	-	32,264	(7,219)	25,045		
3. Trade and other receivables						
Trade receivables			58,020	83,600		
4. Cash and cash equivalents						
Cash and cash equivalents consist of:						
Cash on hand			2,651	7,555		
Bank balances			570,442	331,298		
			573,093	338,853		
5. Trade and other payables						
Trade payables			13,002	-		
Other payables			-	18,360		
			13,002	18,360		
6. Revenue						
Advertising sales			41,355	3,800		
Commissions received			276,137	31,351		
Funding received			3,640,000	2,401,500		
Membership fees			100,333	99,150		
			4,057,825	2,535,801		
7. Other income						
Insurance payout			9,000	-		
8. Operating (deficit) surplus						
Operating (deficit) surplus include the following expenses:						
Depreciation and amortisation			7,219	-		
Employee costs			423,152	480,920		

Plett Tourism Association
Annual Financial Statements for the year ended 30 June 2022
Notes to the Annual Financial Statements

Figures in Rand	2022	2021
9. Investment revenue		
Interest revenue		
Bank	32,013	23,214
10. Cash generated from (used in) operations		
Surplus (deficit) before taxation	87,240	(35,378)
Adjustments for:		
Depreciation and amortisation	7,219	-
Interest received	(32,013)	(23,214)
Movements in provisions	151,823	-
Changes in working capital:		
Trade and other receivables	25,580	23,947
Trade and other payables	(5,358)	18,360
	234,491	(16,285)
11. Categories of financial instruments		
Debt instruments at amortised cost		
Cash and cash equivalents	573,093	338,853
Trade and other receivables	58,020	83,600
	631,113	422,453
Financial liabilities at amortised cost		
Trade and other payables	13,000	18,360
12. Events costs		
Events - December Streetlight Party	20,936	-
Events - Dr Evil	7,000	-
Events - Garden Route Film Fest	-	5,750
Events - History Festival	191,395	-
Events - Koos Roets Show	-	9,927
Events - LBGT Seminar	-	4,789
Events - Mayoral Golf Day	99,280	-
Events - Plett Adventure Racing Team	10,000	5,000
Events - Plett Arts Festival	142,320	31,382
Events - Plett Boxing	220,300	-
Events - Plett Ocean Festival	177,888	-
Events - The Plett Movie	-	30,000
	869,119	86,848