

**PLETT TOURISM ASSOCIATION  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## 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>	Ferreira and Partners Inc.
<b>Level of assurance</b>	These annual financial statements have not been audited or independently reviewed.
<b>Issued</b>	24 November 2023



**F E R R E I R A & P A R T N E R S**  
**C H A R T E R E D A C C O U N T A N T S**

Ferreira and Partners Inc.  
Registration number: 2023/838998/21  
VAT number: 4540314988  
86 Longships Drive  
Plettenberg Bay  
6600  
Tel: 044 533 0510  
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## Practitioner's Compilation Report

To Plett Tourism Association

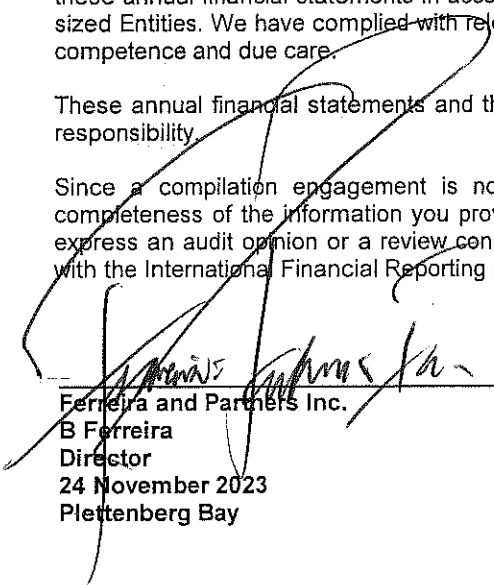
We have compiled the annual financial statements of Plett Tourism Association, as set out on pages 5 - 12, based on information you have provided. These annual financial statements comprise the statement of financial position of Plett Tourism Association as at 30 June 2023, the statement of changes in 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.

  
Ferreira and Partners Inc.  
B Ferreira  
Director  
24 November 2023  
Plettenberg Bay

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## 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 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 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 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 has reviewed the association's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, he is 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 24 November 2023 and were signed by:



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Chairperson

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## Statement of Financial Position as at 30 June 2023

Figures in Rand	Note(s)	2023	2022
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	56,236	25,045
<b>Current Assets</b>			
Trade and other receivables	3	105,731	58,020
Cash and cash equivalents	4	737,421	573,093
		<b>843,152</b>	<b>631,113</b>
<b>Total Assets</b>		<b>899,388</b>	<b>656,158</b>
<b>Funds and Liabilities</b>			
<b>Funds and reserves</b>			
Accumulated surplus		690,493	491,333
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	208,895	13,002
Provisions		-	151,823
		<b>208,895</b>	<b>164,825</b>
<b>Total Funds and Liabilities</b>		<b>899,388</b>	<b>656,158</b>

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2023	2022
<b>Revenue</b>	6	<b>4,024,832</b>	<b>4,057,825</b>
<b>Other income</b>			
Insurance payout		-	9,000
<b>Operating expenses</b>			
Accounting fees		11,270	9,545
AGM costs		16,097	12,973
Bad debts		29,280	9,000
Bank charges		15,007	12,384
Cleaning		13,249	10,534
Computer expenses		-	2,209
Depreciation, amortisation and impairments		15,645	7,219
Employee costs		456,089	423,152
Events costs	12	773,080	869,119
Insurance		7,708	7,298
Legal expenses		5,596	-
Marketing		471,522	668,613
Meeting expenses		35,833	41,527
Municipal expenses		13,548	14,060
Office supplies		16,581	28,112
Outsourced and professional fees		1,258,920	1,223,500
Postage		559	685
Printing and stationery		1,030	-
Repairs and maintenance		6,573	6,970
Subscriptions		14,058	3,960
Telephone and fax		39,043	41,601
Tourism and travel section		288,028	283,284
Website management, IT, CRM		397,233	335,853
		<b>3,885,949</b>	<b>4,011,598</b>
<b>Operating surplus (deficit)</b>		<b>138,883</b>	<b>55,227</b>
Investment income	9	60,277	32,013
<b>Surplus (deficit) for the year</b>		<b>199,160</b>	<b>87,240</b>

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## Statement of Changes in Funds

Figures in Rand	Accumulated surplus	Total funds
Balance at 01 July 2021	404,093	404,093
Surplus (deficit) for the year	87,240	87,240
Balance at 01 July 2022	491,333	491,333
Surplus (deficit) for the year	199,160	199,160
Balance at 30 June 2023	690,493	690,493

# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## Statement of Cash Flows

Figures in Rand	Note(s)	2023	2022
<b>Cash flows from operating activities</b>			
Cash generated from operations	10	150,887	234,491
Interest income		60,277	32,013
<b>Net cash from operating activities</b>		<b>211,164</b>	<b>266,504</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(46,836)	(32,264)
<b>Total cash movement for the year</b>		<b>164,328</b>	<b>234,240</b>
Cash and cash equivalents at the beginning of the year		573,093	338,853
<b>Total cash at end of the year</b>	4	<b>737,421</b>	<b>573,093</b>



# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## 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, 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 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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Item	Average useful life
Office equipment	5 years
IT equipment	3 years

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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 2023

## **Accounting Policies**

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### **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 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 2023

## Notes to the Annual Financial Statements

Figures in Rand 2023 2022

### 2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Office equipment	25,250	(1,971)	23,279	-	-	-
IT equipment	94,315	(61,358)	32,957	72,729	(47,684)	25,045
<b>Total</b>	<b>119,565</b>	<b>(63,329)</b>	<b>56,236</b>	<b>72,729</b>	<b>(47,684)</b>	<b>25,045</b>

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Office equipment	-	25,250	(1,971)	23,279
IT equipment	25,045	21,586	(13,674)	32,957
	<b>25,045</b>	<b>46,836</b>	<b>(15,645)</b>	<b>56,236</b>

#### 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	54,175	58,020
Payfast income member + tickets	51,556	-
	<b>105,731</b>	<b>58,020</b>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	419	2,651
Bank balances	737,002	570,442
	<b>737,421</b>	<b>573,093</b>

### 5. Trade and other payables

Trade payables	177,902	13,002
Other payables	30,993	-
	<b>208,895</b>	<b>13,002</b>

### 6. Revenue

Advertising sales	61,650	41,355
Festival and other income	337,115	276,137
Funding received	3,470,000	3,640,000
Membership fees	156,067	100,333
	<b>4,024,832</b>	<b>4,057,825</b>

### 7. Other income

Insurance payout	-	9,000
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# Plett Tourism Association

Annual Financial Statements for the year ended 30 June 2023

## Notes to the Annual Financial Statements

Figures in Rand	2023	2022
<b>8. Operating expenses</b>		
Operating expenses include the following expenses:		
Depreciation and amortisation	15,645	7,219
Employee costs	456,089	423,152
<b>9. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	60,277	32,013
<b>10. Cash generated from operations</b>		
Net profit before taxation	199,160	87,240
<b>Adjustments for:</b>		
Depreciation, amortisation, impairments and reversals of impairments	15,645	7,219
Movement in provisions	(151,823)	151,823
Investment income	(60,277)	(32,013)
<b>Changes in working capital:</b>		
(Increase) decrease in trade and other receivables	3,345	25,580
Increase (decrease) in trade and other payables	195,894	(5,358)
	<b>201,944</b>	<b>234,491</b>
<b>11. Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Cash and cash equivalents	737,421	573,093
Trade and other receivables	105,731	58,020
	<b>843,152</b>	<b>631,113</b>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	208,894	13,000
<b>12. Events costs</b>		
Events - December Streetlight Party	67,997	20,936
Events - Dr Evil	12,000	7,000
Events - History Festival	100,000	191,395
Events - Mayoral Golf Day	9,627	99,280
Events - Plett Adventure Racing Team	15,000	10,000
Events - Plett Arts Festival	181,146	142,320
Events - Plett Boxing	-	220,300
Events - Plett Ocean Festival	365,425	177,888
Events - Winelands	300	-
Events - Summer Festival: Beach Activation Expense	15,491	-
Events - General Festival Expenses	6,094	-
	<b>773,080</b>	<b>869,119</b>