

CORROSION INSTITUTE OF SOUTHERN AFRICA

(Registration Number 133-690 NPO)

Annual Financial Statements
for the year ended 30 June 2018

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CORROSION INSTITUTE OF SOUTHERN AFRICA

(Registration Number 133-690 NPO)

Annual Financial Statements for the year ended 30 June 2018

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Annual Financial Statements for the year ended 30 June 2018

General Information

Country of Incorporation and Domicile

South Africa

Nature of Business and Principal Activities

The Institute serves those responsible for combating corrosion and operates principally in South Africa

Registered Office

38 Allan Road
Glen Austin
Ext 1
Midrand
1685

Compilers

D'Arcy-Herrman & Co Inc
269 Voortrekker Road / Tzana Park
Monument / cnr Loop and Skirving
streets
Krugersdorp / Tzaneen
1739 / 0850

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Financial Statements for the year ended 30 June 2018

Statement of Financial Position

Figures in R	Notes	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	3	<u>3,466,412</u>	<u>3,550,360</u>
Current Assets			
Trade and other receivables	4	185,355	331,299
Cash and cash equivalents	5	<u>1,543,177</u>	<u>2,341,697</u>
		<u>1,728,532</u>	<u>2,672,996</u>
Total Assets		<u>5,194,944</u>	<u>6,223,356</u>
Equity and Liabilities			
Equity			
Retained earnings		<u>4,009,439</u>	<u>3,779,778</u>
Current Liabilities			
Trade and other payables	6	<u>1,185,505</u>	<u>2,443,578</u>
Total Equity and Liabilities		<u>5,194,944</u>	<u>6,223,356</u>

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Statement of Comprehensive Income

Figures in R	Notes	2018	2017
Revenue	7	5,275,883	7,040,330
Cost of sales	8	<u>(2,831,068)</u>	<u>(3,979,082)</u>
Gross profit		2,444,815	3,061,248
Other income	9	60,277	218,635
Operating costs		<u>(2,358,242)</u>	<u>(3,818,810)</u>
Operating profit/(loss)		146,850	(538,927)
Finance income	10	82,811	114,187
Finance costs	11	-	(151)
Profit/(loss) for the year		229,661	(424,891)
Retained income at 1 July 2017		3,779,778	4,204,669
Profit/(loss) for the year		<u>229,661</u>	<u>(424,891)</u>
Retained income at 30 June 2018		4,009,439	3,779,778

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Financial Statements for the year ended 30 June 2018

Statement of Changes in Equity

Figures in R	Retained earnings	Total
Balance at 1 July 2016	4,204,669	4,204,669
Total comprehensive income for the year		
Loss for the year	(424,891)	(424,891)
Total comprehensive income for the year	<u>(424,891)</u>	<u>(424,891)</u>
Balance at 30 June 2017	<u>3,779,778</u>	<u>3,779,778</u>
Balance at 1 July 2017	3,779,778	3,779,778
Total comprehensive income for the year		
Profit for the year	229,661	229,661
Total comprehensive income for the year	<u>229,661</u>	<u>229,661</u>
Balance at 30 June 2018	<u>4,009,439</u>	<u>4,009,439</u>

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Financial Statements for the year ended 30 June 2018

Statement of Cash Flows

Figures in R	Note(s)	2018	2017
Cash flows from operating activities			
Profit/(loss) for the year		229,661	(424,891)
<i>Adjustments for:</i>			
Finance costs		-	151
Depreciation of Property, plant and equipment		86,842	68,853
Investment income		(82,811)	(114,187)
Profit on disposal of property, plant and equipment		(3,068)	(3,068)
Operating cash flow before working capital changes		<u>230,624</u>	<u>(473,142)</u>
<i>Working capital changes</i>			
Decrease in trade and other receivables		145,944	237,422
Decrease in trade and other payables		(1,258,073)	(336,625)
Cash utilised in operating activities		<u>(881,505)</u>	<u>(572,345)</u>
Investment income		82,811	114,187
Other		3,146	(151)
Net cash from operating activities		<u>(795,548)</u>	<u>(458,309)</u>
Cash flows from investing activities			
Property, plant and equipment acquired	3	(2,972)	(181,442)
Proceeds on disposals of property, plant and equipment		-	118
Net cash utilised in investing activities		<u>(2,972)</u>	<u>(181,324)</u>
Decrease in cash and cash equivalents		(798,520)	(639,633)
Cash and cash equivalents at beginning of the year		2,341,697	2,981,330
Cash and cash equivalents at end of the year	5	<u>1,543,177</u>	<u>2,341,697</u>

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CORROSION INSTITUTE OF SOUTHERN AFRICA

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Financial Statements for the year ended 30 June 2018

Accounting Policies

1. General information

The CORROSION INSTITUTE OF SOUTHERN AFRICA serves those responsible for combatting corrosion and operates in South Africa. □

2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

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CORROSION INSTITUTE OF SOUTHERN AFRICA

(Registration Number 133-690 NPO)

Financial Statements for the year ended 30 June 2018

Notes to the Annual Financial Statements

Figures in R 2018 2017


3. Property, plant and equipment

	Cost	Accumulated depreciation	2018 Carrying value	Cost	Accumulated depreciation	2017 Carrying value
<i>Owned assets</i>						
Land and buildings	3,347,250	-	3,347,250	3,347,250	-	3,347,250
Furniture and fittings	108,149	(83,642)	24,507	108,149	(62,012)	46,137
Office equipment	5,525	(1,143)	4,382	3,332	(166)	3,166
IT equipment	152,600	(89,839)	62,761	152,600	(38,972)	113,628
Computer software	40,427	(22,182)	18,245	39,726	(8,814)	30,912
Course equipment	319,297	(319,293)	4	319,297	(319,293)	4
Presidentail Chain	9,500	(237)	9,263	9,500	(237)	9,263
	3,982,748	(516,336)	3,466,412	3,979,854	(429,494)	3,550,360

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2018 Carrying value at end of year
<i>Owned assets</i>					
Land and buildings	3,347,250	-	-	-	3,347,250
Furniture and fittings	46,137			(21,630)	24,507
Office equipment	3,166	2,213		(997)	4,382
IT equipment	113,628			(50,867)	62,761
Computer software	30,912	759		(13,426)	18,245
Course equipment	6,097			(6,093)	4
Presidentail Chain	9,263				9,263
	3,556,453	2,972	-	(93,013)	3,466,412

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2017 Carrying value at end of year
<i>Owned assets</i>					
Land and buildings	3,347,250	-	-	-	3,347,250
Furniture and fittings	61,158	2,670	-	(17,691)	46,137
Office equipment	-	3,332	-	(166)	3,166
IT equipment	8,361	138,171	1,248	(34,152)	113,628
Computer software	13,645	24,261		(6,994)	30,912
Course equipment	6,097	3,508	-	(9,601)	4
Presidentail Chain	-	9,500	(237)		9,263
	3,436,511	181,442	1,011	(68,604)	3,550,360

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Notes to the Annual Financial Statements

Figures in R	2018	2017
Land and buildings Portion 1 of Holding 165 Glen Austin agricultural holdings, Registration Division JR Province Gautend, measuring 8565 square metres, held by Deed of Transfer T58133/1992 -Acquired on 5 November 2013 for	<u>3,347,250</u>	<u>3,347,250</u>
4. Trade and other receivables		
Trade debtors	185,355	290,862
Provision for bad debts	-	(63,484)
	<u>185,355</u>	<u>227,378</u>
5. Cash and cash equivalents		
Favourable cash balances Bank balances	<u>1,543,177</u>	<u>2,341,697</u>
6. Trade and other payables		
Trade creditors	5,465	1,099,007
Sundry creditors	1,052,259	1,148,217
Value Added Tax	127,781	196,354
	<u>1,185,505</u>	<u>2,443,578</u>
7. Revenue		
An analysis of revenue is as follows:		
Rendering of services	5,195,688	6,946,730
Rent received: MTN Tower	80,195	93,600
	<u>5,275,883</u>	<u>7,040,330</u>
8. Cost of Sales		
Cost of sales: Rendering of services	<u>2,831,068</u>	<u>3,979,082</u>
9. Other Income		
Fees Received	179	221
Insurance claim payouts	3,967	217,284
Profit on foreign exchange	56,131	-
Profit on sale of fixed assets	-	1,130
	<u>60,277</u>	<u>218,635</u>

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Notes to the Annual Financial Statements

Figures in R	2018	2017
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10. Finance income

Interest income	82,811	114,187
Interest received		

11. Finance costs

Finance cost	-	151
	-	151

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