South African Chamber of Commerce and Industry NPC

Annual Financial Statements
for the year ended 31 December 2015

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The promotion and development of commerce and industry in the Republic of South Africa.
Directors	BV Khumalo CAK Choeu CM Klaas FA Jacobs JMJ Oxenham M Manci M Pirikisi MJ Havinga MP Dlamini NMW Vermeulen S Steyn SB Shamase TB Zwelibanzi TN Malefane ZZ Ndhlovu
Registered office	24 Sturdee Avenue Rosebank Johannesburg 2000
Business address	24 Sturdee Avenue Rosebank Johannesburg 2000
Bankers	Standard Bank of South Africa Limited Investec Bank Limited
Auditors	Grant Thornton Johannesburg Partnership Chartered Accountants (S.A.) Registered Auditors A South African member of Grant Thornton International Limited
Secretary	A J Franken
Company registration number	1945/020230/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, 71 of 2008, as amended
Preparer	The annual financial statements were prepared under the supervision of: AJ Franken Accountant
Issued	20 October 2016

INDEX

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act of South Africa, 71 of 2008, as amended to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge 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 directors 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 directors 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 directors have reviewed the association’s cash flow forecast for the year to 31 December 2016 and, in light of this review and the current financial position, they are satisfied that the association has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 5 to 22, which have been prepared on the going concern basis, were approved by the board on 20 October 2016 and were signed on their behalf by:

Director **Director**

20 October 2016

INDEPENDENT AUDITOR'S REPORT

To the members of South African Chamber of Commerce and Industry

THIS WILL BE REPLACED

B Frey
Partner
Registered Auditors
A South African member of Grant Thornton International Limited
20 October 2016
Per: B Frey
20 October 2016

Sandton

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of South African Chamber of Commerce and Industry NPC for the year ended 31 December 2015.

1. Nature of business

The association is engaged in the promotion and development of commerce and industry in the Republic of South Africa, the consideration of questions connected directly or indirectly with business and the economic development of the Republic and the consideration of matters or questions of Government Policy including all Republic, Regional or other legislation, or proposed legislation, affecting or likely to affect business.

There have been no material changes to the nature of the association's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, 71 of 2008, as amended. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the association are set out in these annual financial statements.

3. Share capital

The association is a non-profit organisation and has no shareholders or share capital.

4. Directorate

The directors in office at the date of this report are as follows:

Directors	Changes
A Singh	Resigned 22 September 2015
AT Mukoki	Appointed 22 September 2015
BR Daniel	Resigned 3 March 2015
BV Khumalo	
CAK Choeu	
CM Klaas	
DM Dykes	Resigned 22 September 2015
FA Jacobs	
J Goldberg	Resigned 22 September 2015
JMJ Oxenham	
LM Gunkel-Keuler	Resigned 22 September 2015
NMW Vermeulen	
M Kemp	Resigned 22 September 2015
M Manci	
Prof HA Louw	Resigned 22 September 2015
M Pirikisi	Appointed 22 September 2015
MH Veness	Resigned 22 September 2015
MJ Havinga	
MP Dlamini	
S Steyn	Appointed 22 September 2015
SB Shamase	Appointed 22 September 2015
TB Zwelibanzi	
TN Malefane	Appointed 22 September 2015
ZZ Ndhlovu	Appointed 22 September 2015

5. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

DIRECTORS' REPORT

6. Auditors

Grant Thornton Johannesburg Partnership continued in office as auditors for the company for 2015.

7. Secretary

The company secretary is Mrs A J Franken.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	2015 R	2014 R
Assets			
Non-Current Assets			
Property, plant and equipment	3	101 634	109 825
Current Assets			
Trade and other receivables	4	1 039 437	475 515
Cash and cash equivalents	5	14 673 062	15 648 746
		15 712 499	**16 124 261**
Total Assets		**15 814 133**	**16 234 086**
Equity and Liabilities			
Equity			
Retained income		6 731 879	6 520 576
Liabilities			
Current Liabilities			
Trade and other payables	6	667 701	1 341 132
Provisions	7	214 986	227 101
ATA Carnet deposits and claims	8	8 199 567	8 145 277
		9 082 254	**9 713 510**
Total Equity and Liabilities		**15 814 133**	**16 234 086**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2015 R	2014 R
Revenue	9	7 377 234	7 279 653
Other income	10	1 721 316	3 556 550
Operating expenses		(9 859 268)	(9 918 528)
Operating (loss) profit	11	**(760 718)**	**917 675**
Investment revenue	12	972 025	903 875
Profit for the year		**211 307**	**1 821 550**
Other comprehensive income		-	-
Total comprehensive income for the year		**211 307**	**1 821 550**

STATEMENT OF CHANGES IN EQUITY

	Retained income R	Total equity R
Balance at 1 January 2014	**4 699 022**	**4 699 022**
Profit for the year	1 821 550	1 821 550
Other comprehensive income	-	-
Total comprehensive income for the year	**1 821 550**	**1 821 550**
Balance at 1 January 2015	**6 520 572**	**6 520 572**
Profit for the year	211 307	211 307
Other comprehensive income	-	-
Total comprehensive income for the year	**211 307**	**211 307**
Balance at 31 December 2015	**6 731 879**	**6 731 879**

STATEMENT OF CASH FLOWS

	Notes	2015 R	2014 R
Cash flows from operating activities			
Cash generated from (used in) operations	13	(1 942 293)	1 952 934
Interest income		972 025	903 875
Net cash from operating activities		**(970 268)**	**2 856 809**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(59 700)	(49 833)
Cash flows from financing activities			
ATA Carnets deposits and claims		54 290	(2 102 629)
Total cash movement for the year		**(975 678)**	**704 347**
Cash and cash equivalents at the beginning of the year		15 648 746	14 944 399
Total cash and cash equivalents at end of the year	5	**14 673 068**	**15 648 746**

ACCOUNTING POLICIES

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act of South Africa, 71 of 2008, as amended. 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 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables and trade payables

The association assesses its trade receivables and trade payables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the association makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 7 - Provisions.

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits associated with the item will flow to the association; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include 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.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided to write down property, plant and equipment as follows:

Item	Average useful life
Furniture and fixtures	4 years
Motor vehicles	5 years
Computer equipment	3 years
Office equipment	3 years

Where the carrying value of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (i.e. impairment losses are recognised). The residual values and useful life of assets are assessed on an annual basis.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

Increases in the carrying amount arising on revaluation on property, plant and equipment are credited to revaluation reserve in equity. Decreases are offset against the previous increases in the same assets that are charged against the revaluation reserve, all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the original cost is transferred from the revaluation reserve to retained earnings through the statement of changes in equity.

ACCOUNTING POLICIES

1.3 Financial instruments

Initial recognition and measurement

All financial instruments are recognised on the statement of financial position at the trade date. Financial instruments are initially recognised when the association becomes party to the contractual terms of the instruments and are measured at fair value, plus, in the case of investments not at fair value, through profit and loss, directly attributable transaction costs. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement on initial recognition.

Subsequent to initial recognition, these instruments are measured as set out below:

Financial assets

The association's principal financial assets are accounts receivable and bank and cash balances.

Accounts receivable

Trade receivables are recognised and carried at original invoice amount less an allowance for any unelectable amounts. Impairment is made when there is objective evidence that the association will not be able to collect the debts. Bad debts are written off when identified.

Bank and cash balances

The accounting policy for bank and cash is dealt with under cash and cash equivalents set out below.

Financial liabilities

Accounts payable

Accounts payable are carried at amortised cost.

ATA Carnet

A liability is recognised for ATA Carnet deposits to the extent that monies are received by the association and held on behalf of the depositor.

Derecognition

Financial assets

Financial assets (or a portion thereof) are derecognised when the association realises the rights to benefits specified in the contract, the rights expire or the association surrenders or otherwise loses control of the contractual rights that comprise the financial asset.

On derecognition, the difference between the carrying amount of the financial asset and proceeds receivable and any prior adjustments to reflect fair value that had been reported in equity are included in profit or loss.

Financial liabilities

Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and amounts paid for it are included in profit or loss.

Impairment of financial assets

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognised in profit or loss.

1.3 Financial instruments (continued)

The association first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

Fair value methods and assumptions

The fair value of financial instruments with a maturity of less than one year, is assumed to approximate their nominal amount.

Cash and cash equivalents

Cash and cash equivalents are measured at their fair value.

1.4 Leases

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.5 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the association's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

1.6 Provisions

Provisions are recognised when:

- the association has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are not recognised for future operating losses.

ACCOUNTING POLICIES

1.7 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the association and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Membership fees

Membership fees are brought into account over the period to which they relate.

Carnet fees

Carnet fees are recognised on an accrual basis in accordance with the substance of the relevant agreements.

Interest income

Interest is recognised as it accrues (using the effective interest rate method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business, net of value added tax.

1.8 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Capitalised leased assets are depreciated over the shorter of the estimate useful life of the asset and the lease term. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2. New Standards and Interpretations

At the date of approval of these annual financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the association.

Management anticipates that all of the pronouncements will be adopted in the association's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the association's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the association's annual financial statements.

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the association has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• IFRS 13 Fair Value Measurement	1 July 2014	The impact of the standard is not material.
• Amendment to IAS 24: Related Party Disclosures: Annual improvements project	1 July 2014	The impact of the amendment is not material.
• Amendment to IFRS 13: Fair Value Measurement: Annual improvements project	1 July 2014	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The association has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the association’s accounting periods beginning on or after 1 January 2016 or later periods:

Standard/ Interpretation:	**Effective date: Years beginning on or after**	**Expected impact:**
• IFRS 9 Financial Instruments	1 January 2018	The impact of the standard is not material.
• IAS 1 Presentation of Financial Statements	1 January 2016	The impact of the amendment is not material.
• Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7)	1 July 2016	The impact of the amendment is not material.
• Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project	1 January 2016	The impact of the amendment is not material.
• Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016	The impact of the amendment is not material.
• IFRS 15 Revenue from Contracts with Customers	1 January 2017	The impact of the standard is not material.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R

3. Property, plant and equipment

	2015			2014		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer equipment	1 047 631	(1 009 081)	38 550	1 026 642	(987 507)	39 135
Furniture and fixtures	479 524	(438 918)	40 606	440 814	(423 249)	17 565
Motor vehicles	127 601	(105 123)	22 478	127 601	(75 152)	52 449
Office equipment	608 337	(608 337)	-	608 337	(607 661)	676
Total	**2 263 093**	**(2 161 459)**	**101 634**	**2 203 394**	**(2 093 569)**	**109 825**

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Computer equipment	39 135	20 989	(21 574)	38 550
Furniture and fixtures	17 565	38 711	(15 670)	40 606
Motor vehicles	52 449	-	(29 971)	22 478
Office equipment	676	-	(676)	-
	109 825	**59 700**	**(67 891)**	**101 634**

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Computer equipment	35 136	32 473	(28 474)	39 135
Furniture and fixtures	3 193	17 360	(2 988)	17 565
Motor vehicles	82 420	-	(29 971)	52 449
Office equipment	28 311	-	(27 635)	676
	149 060	**49 833**	**(89 068)**	**109 825**

4. Trade and other receivables

	2015	2014
Other receivable	25 774	207 656
Provision for bad debts	(1 179 496)	(888 627)
Trade receivables	2 193 159	1 156 486
	1 039 437	**475 515**

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 December 2015, R 191 440 (2014: R 141 649) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2015	2014
2 months past due	22 400	1 500
3 months past due	14 835	57 104
120 days	154 205	83 045
	191 440	**141 649**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R

4. Trade and other receivables (continued)

Trade and other receivables impaired

As of 31 December 2015, trade and other receivables of R 1 179 496 (2014: R 888 627) were impaired and provided for.

Reconciliation of provision for impairment of trade and other receivables

Opening balance	(888 627)	(485 342)
Amounts recovered	123 058	34 918
Amounts written off as uncollectable	421 378	162 425
Provision for impairment	(835 305)	(600 628)
	(1 179 496)	**(888 627)**

Trade receivables are non-interest bearing and are generally settled within 30 - 90 days.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1 800	1 800
Bank balances	908 302	1 326 107
Short-term deposits	13 762 960	14 320 838
	14 673 062	**15 648 745**

Cash and cash equivalents comprise cash on hand, deposits held and call and investments in money market instruments, all of which are available for use by the association unless otherwise stated.

The association provided guarantees to Standard Bank Properties Proprietary Limited and Bridgeport Office Park for a combined amount of R 150 020. The guarantees were utilised as a deposit for the leased premises

The association has a UD$100 000 Investec Bank guarantee in favour of International Chamber of commerce.

6. Trade and other payables

Amounts received in advance	287 943	1 000 767
Other payables	176 819	251 529
Trade payables	192 545	41 499
Value added taxation	10 394	47 337
	667 701	**1 341 132**

	2015 R	2014 R

7. Provisions

Reconciliation of provisions - 2015

	Opening balance	Additions	Utilised during the year	Total
Audit fees	132 650	33 550	-	166 200
Leave pay	94 451	-	(45 665)	48 786
	227 101	**33 550**	**(45 665)**	**214 986**

Reconciliation of provisions - 2014

	Opening balance	Additions	Utilised during the year	Total
Audit fees	110 250	122 400	(100 000)	132 650
Leave pay	66 416	30 395	(2 360)	94 451
	176 666	**152 795**	**(102 360)**	**227 101**

Provision for audit fees

Provision for audit fees is based on the audit budget.

Provision for leave pay

Employee benefits in the form of annual leave entitlements are provided for when they accrue to employees with reference to services rendered up to the reporting date.

8. ATA Carnet deposits and claims

The ATA carnet system is an international customs document for the facilitation of temporary admission of goods into member countries. ATA carnet covers temporary import of items for commercial samples, exhibitions, trade fairs and professional equipment, as ratified by South African Government to the Istanbul Convention. The association charges fees to companies/individuals who have complied with the necessary procedures in application & undertaking form (legal document) to make use of ATA Carnets. The carnet client has to provide a 50% deposit of the value of the total carnet value (25% for the BLNS States) being exported, which is refundable when the original carnet is returned to the association and the original carnet is validated correctly by the South African and country visited customs.

Reconciliation of ATA Carnet deposits and claims

	2015 R	2014 R
Opening balance	8 145 277	10 247 906
Deposits received	14 174 589	15 339 037
Refunds given	(14 083 170)	(16 193 255)
Write-off of prescribed carnets	(37 129)	(1 248 411)
Closing balance	**8 199 567**	**8 145 277**

9. Revenue

	2015 R	2014 R
Carnet fees	1 511 924	1 221 999
Subscription fees	5 865 311	6 057 654
	7 377 235	**7 279 653**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R

10. Other income

	2015 R	2014 R
Bad debts recovered	123 058	34 918
Other income	127 911	100 767
Sponsorships	1 470 347	2 172 454
Write-off of prescribed carnets	-	1 248 411
	1 721 316	**3 556 550**

11. Operating (loss) profit

Operating (loss) profit for the year is stated after accounting for the following:

	2015 R	2014 R
Operating lease charges		
Premises		
• Contractual amounts	697 854	642 656
Depreciation on property, plant and equipment	67 891	89 068
Employee costs	5 029 158	5 057 993

12. Investment revenue

	2015 R	2014 R
Interest revenue		
Bank	972 025	903 875

13. Cash generated from (used in) operations

	2015 R	2014 R
Profit before taxation	211 307	1 821 550
Adjustments for:		
Depreciation	67 891	89 068
Interest received	(972 025)	(903 875)
Movements in provisions	(12 115)	50 436
Changes in working capital:		
Trade and other receivables	(563 920)	951 736
Trade and other payables	(673 431)	(55 981)
	(1 942 293)	**1 952 934**

14. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

Financial liabilities at amortised cost

	2015 R	2014 R
ATA Carnet deposits and claims	8 199 567	8 145 277
Trade and other payables	369 364	293 028
	8 568 931	**8 438 305**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R

15. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

Loans and receivables

	2015 R	2014 R
Cash and cash equivalents	14 673 062	15 648 745
Trade and other receivables	1 039 437	475 515
	15 712 499	**16 124 260**

16. Auditors' remuneration

	2015 R	2014 R
Fees	147 470	144 530

17. Taxation

The association qualified to tax exemption in terms of Section 10(1)(cb)(i)(ff) of the Income Tax Act 58 of 1962. Following the introduction of Section 10(l)(d) to replace Section 10(1)(cb)(i)(ff), the association formally applied for exemption. In terms of a notice published by SARS, the association will retain their tax exempt status under Section 10(1)(cb)(i)(ff) until their application has been processed.

18. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

	2015 R	2014 R
- within one year	771 246	400 465
- in second to fifth year inclusive	1 348 312	1 608 048
	2 119 558	**2 008 513**

The association has entered into a commercial lease on a building for their premises. The lease has an average term of 5 years. Future minimum rentals payable under non-cancellable operating leases are as above. The lease agreement over the premises expires on 31 July 2018.

19. Directors' and prescribed officer's remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

Executive

2015

	Emoluments	Other benefits*	Total
AT Mukoki	828 333	22 459	850 792

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R

20. Related parties

Relationships

ATA Carnet affiliated entity	The South African National Committee of ICC Proprietary Limited

Related party transactions

	2015 R	2014 R
Accounting fees received from related party		
The South African National Committee of ICC Proprietary Limited	18 240	14 035
Subscriptions paid to related party		
The South African National Committee of ICC Proprietary Limited	18 240	14 035

21. Risk management

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

As part of the process of managing the association's interest rate risk, interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis.

DETAILED INCOME STATEMENT

	Notes	2015 R	2014 R
Revenue			
Carnet fees		1 511 924	1 221 999
Subscriptions		5 865 311	6 057 654
	9	**7 377 235**	**7 279 653**
Other income			
Bad debts recovered		123 058	34 918
Interest received	12	972 025	903 875
Other income		127 910	100 767
Sponsorships		1 470 347	2 172 454
Write-off of carnet deposits		-	1 248 411
		2 693 340	**4 460 425**
Operating expenses			
Administration and management fees		(21 542)	(24 491)
Advertising		-	(10 500)
Auditors remuneration	16	(147 470)	(144 530)
Bad debts		(835 305)	(600 628)
Bank charges		(19 619)	(21 223)
Carnet fees		(32 228)	(19 641)
Convention expenses		(692 352)	(1 167 348)
Courier and postage		(5 456)	(7 305)
Depreciation		(67 891)	(89 068)
Employee costs		(5 029 158)	(5 057 993)
Insurance		(39 583)	(35 590)
Lease rentals on operating lease		(697 854)	(642 656)
Municipal expenses		(151 305)	(137 476)
Other expenses		(70 270)	(88 061)
Peers project		(793 166)	(1 213 200)
Placement fees		(87 547)	-
Printing and stationery		(49 179)	(49 105)
Repairs and maintenance		(131 040)	(95 456)
Subscriptions		(270 558)	(269 297)
Telephone and fax		(103 687)	(92 565)
Training		(4 386)	-
Travel - local		(609 671)	(152 395)
		(9 859 267)	**(9 918 528)**
Profit for the year		**211 308**	**1 821 550**

The supplementary information presented does not form part of the annual financial statements and is unaudited