



ZUYDAM KONSULT
AUDIT • TAX • ACCOUNTING

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Practice no. 947143 **VAT** 4740 61583
Directors. HJ van Zuydam, F Joubert

**Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements
for the year ended 30 June 2023**

CREATING AN EXCEPTIONAL FUTURE, TODAY.



Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To act as a Chamber of Commerce and Industry for the effective voice of business in the Western Cape and to provide business support services in this region
Directors	J Barnes D Brigg T Mabena J Moolman J Myburgh P Ross T von Zukowski C Vorster
Registered office	1 Canal Close Century Falls Road Cape town 7441
Postal address	1 Canal Close Century Falls Road Cape town 7441
Bankers	Standard Bank Group Ltd
Auditors	Zuydam Konsult Inc Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891.
Preparer	The annual financial statements were independently compiled by: N Koen AGA(SA)
Issued	26 October 2023

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

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Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Directors' Responsibilities and Approval

The directors are required by the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891 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 chamber 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 external auditors are engaged to express an independent opinion on the annual financial statements.

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.

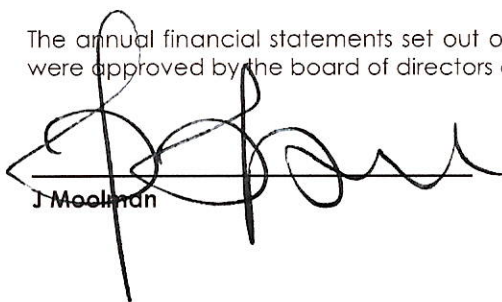
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the chamber and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 chamber and all employees are required to maintain the highest ethical standards in ensuring the chamber's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the chamber is on identifying, assessing, managing and monitoring all known forms of risk across the chamber. While operating risk cannot be fully eliminated, the chamber 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 chamber's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, they are satisfied that the chamber has or has 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 chamber's annual financial statements. The annual financial statements have been examined by the chamber's external auditors and their report is presented on page 4 to 5.

The annual financial statements set out on pages 6 to 22, which have been prepared on the going concern basis, were approved by the board of directors on 26 October 2023 and were signed on its behalf by:



J. Moolman



C. Vorster

Bellville

Thursday, 26 October 2023



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Practice no. 947143 **VAT** 4740 61583
Directors. HJ van Zuydam, F Joubert

Independent Auditor's Report

To the Stakeholders of Cape Town Regional Chamber of Commerce and Industry

Opinion

We have audited the annual financial statements of Cape Town Regional Chamber of Commerce and Industry (the chamber) set out on pages 8 to 20, which comprise the statement of financial position as at 30 June 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Cape Town Regional Chamber of Commerce and Industry as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the chamber in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Cape Town Regional Chamber of Commerce and Industry annual financial statements for the year ended 30 June 2023", which includes the Honorary Treasurer's Report as required by the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891 and the supplementary information as set out on pages 21 to 22. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the chamber's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the chamber or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the chamber's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the chamber to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Zuydam Konsult Inc
H J van Zuydam CA(SA)
Director
Registered Auditors

26 October 2023
Bellville

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Honorary Treasurer's Report

The honorary treasurer has pleasure in submitting his report on the annual financial statements of Cape Chamber of Commerce and Industry for the year ended 30 June 2023.

1. Nature of business

Cape Town Regional Chamber of Commerce and Industry was incorporated in South Africa with interests in commerce. The chamber operates in South Africa.

There have been no material changes to the nature of the chamber'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 Standard for Small and Medium-sized Entities and the requirements of the Chamber's Constitution and Cape Town Chamber of Commerce Act 21 of 1891. 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 chamber are set out in these annual financial statements.

3. Directors

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

Directors	Changes
J Barnes	Appointed Thursday, 23 February 2023
D Brigg	
T Mabena	
J Moolman	
J Myburgh	
P Ross	
T von Zukowski	Appointed Thursday, 23 February 2023
C Vorster	Appointed Thursday, 23 February 2023
P Hartnady	Resigned Wednesday, 29 March 2023
N Jappie	Resigned Thursday, 23 February 2023

4. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the chamber had an interest and which significantly affected the business of the chamber.

5. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the chamber or in the policy regarding their use.

6. 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.

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Honorary Treasurer's Report

7. Going concern

The directors believe that the chamber has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the chamber is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the chamber. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the chamber.

8. Liquidity and solvency

The directors have performed the required liquidity and solvency tests.

9. Auditors

Zuydam Konsult Inc were appointed as auditors of the chamber for 2023.

At the AGM, the directors will be requested to reappoint Zuydam Konsult Inc as the independent external auditors of the chamber and to confirm Mr H J van Zuydam as the designated lead audit partner for the 2024 financial year.

10. General

The Chamber's secretariat and accounting staff is responsible for managing the financial affairs of the Chamber and sufficient controls are in place. The Chamber's main income is derived from members' subscription fees and certification income. The accrual method is used to account for membership subscription fees, and with this provisions for impairment of subscription debtors have been applied, all of this in line with the IFRS for SME's Standard.

The Chamber's services to members include the organising of events such as workshops, seminars, training sessions, development programmes and the issue of certificates. Income is also derived from advertising. Income derived and Expenditure incurred in the activities of the Chamber is reflected in the Statement of Comprehensive Income as it meets the requirements of the IFRS for SME's Standard.

The audited Financial Statements clearly set out the results of the year with accompanying notes and explanations.

11. Date of authorisation for issue of annual financial statements

The annual financial statements have been authorised for issue by the directors on 26 October 2023. No authority was given to anyone to amend the annual financial statements after the date of issue.

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

	Notes	2023 R	2022 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	273 993	258 393
Intangible assets	3	1 076 719	-
Other financial assets	4	32 898 879	29 311 533
		34 249 591	29 569 926
Current Assets			
Trade and other receivables	5	2 221 698	274 340
Cash and cash equivalents	6	805 085	2 611 670
		3 026 783	2 886 010
Total Assets		37 276 374	32 455 936
Equity and Liabilities			
Equity			
Available-for-sale investments reserve		11 340 726	7 591 536
Retained income		22 440 970	21 314 326
		33 781 696	28 905 862
Liabilities			
Current Liabilities			
Trade and other payables	7	1 053 054	215 644
Other financial liabilities	8	-	247 426
Deferred income	9	503 370	755 794
Provisions	10	1 053 551	1 475 769
Certification deposits	11	884 703	855 441
		3 494 678	3 550 074
Total Equity and Liabilities		37 276 374	32 455 936

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Statement of Comprehensive Income

	Notes	2023 R	2022 R
Revenue	12	17 067 204	15 290 342
Cost of sales	13	(3 486 884)	(1 314 148)
Gross profit		13 580 320	13 976 194
Other income	14	197 666	407 494
Operating expenses	15	(12 999 359)	(14 248 643)
Operating profit		778 627	135 045
Investment revenue	16	348 017	350 090
Profit for the year		1 126 644	485 135
Other comprehensive income		-	-
Total comprehensive income for the year		1 126 644	485 135

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Statement of Changes in Equity

	Available- for-sale investments reserve R	Retained income R	Total equity R
Balance at 01 July 2021	7 591 536	20 829 191	28 420 727
Profit for the year	-	485 135	485 135
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	485 135	485 135
Balance at 01 July 2022	7 591 536	21 314 326	28 905 862
Profit for the year	-	1 126 644	1 126 644
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1 126 644	1 126 644
Movement in listed available-for-sale investments reserve	3 749 190	-	3 749 190
Total changes	3 749 190	-	3 749 190
Balance at 30 June 2023	11 340 726	22 440 970	33 781 696

Note

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Statement of Cash Flows

	Notes	2023 R	2022 R
Cash flows from operating activities			
Cash (used in) generated from operations	17	(780 138)	507 561
Interest income		348 017	154 218
Dividends received		-	173 476
REIT income		-	22 396
Net cash (used in)/ from operating activities		(432 121)	857 651
Cash flows used in investing activities			
Net movement in property, plant and equipment	2	(145 662)	(202 615)
Proceeds from sale of property, plant and equipment	2	-	19 391
Net movement in intangible assets	3	(1 231 636)	-
Movement in other financial assets		220 997	49 153
Net cash used in investing activities		(1 156 301)	(134 071)
Cash flows used in financing activities			
Net movement in other financial liabilities		(247 426)	-
Repayments of other liabilities 3		29 262	-
Net cash from financing activities		(218 164)	-
Total cash movement for the year		(1 806 586)	723 580
Cash and cash equivalents at the beginning of the year		2 611 670	1 888 090
Total cash at end of the year	6	805 084	2 611 670

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

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 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

Critical judgements in applying accounting policies

Management are required to make critical judgements in applying accounting policies from time to time.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the chamber holds for its own use and which are expected to be used for more than one period.

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 chamber, and the cost of the item can be measured reliably.

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.

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 chamber.

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

Item	Depreciation method	Average useful life
Computer equipment	Straight line	1 - 3 years
Computer software	Straight line	3 years
Furniture and fittings	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	1 - 10 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Where major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

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.

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.2 Property, plant and equipment (continued)

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.

1.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided to write down the intangible assets as follows:

Item	Depreciation method	Average useful life
Market research	Straight line	5 years

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.4 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include 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.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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

1.6 Impairment of assets

The chamber assesses at each reporting date whether there is any indication that assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 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 leave pay 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.

Post-retirement contributions

The Chamber provides post-employment medical benefits to employees who retire after 15 years of service. The degree of benefits range from 50% to 30% of the employee's medical aid depending on the number of years' service. The benefit ceases after a period of 5 years after retirement. The benefits are unfunded. The estimated liability to the Chamber of providing for this benefit at 30 June 2023 is R 377 042 (2022: R 377 042), which has been determined using the present value of current contributions to the medical aid at a growth rate of 5%.

1.8 Provisions and contingencies

Provisions are recognised when the chamber has an obligation at the reporting date as a result of a past event; it is probable that the chamber will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Cape Town Regional Chamber of Commerce and Industry

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.9 Revenue

Revenue is recognised to the extent that the chamber has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the chamber. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest method.

1.10 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Rand, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
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2. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	422 753	(281 438)	141 315	349 501	(193 234)	156 267
Computer software	31 445	(4 145)	27 300	-	-	-
Furniture and fittings	78 934	(10 790)	68 144	70 784	(3 022)	67 762
Motor vehicles	137 417	(130 546)	6 871	137 417	(103 062)	34 355
Office equipment	142 300	(111 937)	30 363	109 483	(109 474)	9
Total	812 849	(538 856)	273 993	667 185	(408 792)	258 393

Reconciliation of property, plant and equipment - 2023

	Furniture and fittings	Motor vehicles	Office equipment	Computer equipment	Computer software	Total
Cost	78 934	137 417	142 300	422 753	31 445	812 849
Accumulated depreciation	(10 790)	(130 546)	(111 937)	(281 438)	(4 145)	(538 856)
Net book value at 30 June 2023	68 144	6 871	30 363	141 315	27 300	273 993
Net book value at beginning of year	67 762	34 355	9	156 267	-	258 393
Additions	8 150	-	32 817	73 250	31 445	145 662
Depreciation	(7 768)	(27 484)	(2 463)	(88 202)	(4 145)	(130 062)
Net book value at end of year	68 144	6 871	30 363	141 315	27 300	273 993

3. Intangible assets

	2023			2022		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Market research	1 231 636	(154 917)	1 076 719	-	-	-

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Closing balance
Market research	-	1 231 636	(154 917)	1 076 719

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
4. Other financial assets		
At fair value		
Investec portfolio	15 090 769	13 818 194
Liberty portfolio	11 004 841	9 127 411
Sanlam portfolio	6 803 269	6 365 928
	32 898 879	29 311 533
Non-current assets		
At fair value	32 898 879	29 311 533
5. Trade and other receivables		
Trade receivables	1 921 096	28 412
Deposits	70 000	70 000
Prepayments	230 602	175 928
	2 221 698	274 340
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	805 085	2 611 670
7. Trade and other payables		
Trade payables	689 468	115 335
SARS: PAYE, UIF and SDL	185 901	-
SARS: VAT	177 685	100 309
	1 053 054	215 644
8. Other financial liabilities		
At amortised cost		
Contingent liability: Retrenchment	-	247 426
Current liabilities		
At amortised cost	-	247 426
9. Deferred income		
Income received in advance	503 370	755 794

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

10. Provisions

Reconciliation of provisions - 2023

	Opening balance	Additions	Utilised during the year	Reversed during the year	Closing balance
Post- retirement medical aid benefit	377 042	-	-	(215 566)	161 476
Provision for audit fees	200 965	128 953	(200 965)	-	128 953
Provisions for employee benefits	897 762	1 655 510	(1 790 150)	-	763 122
	1 475 769	1 784 463	(1 991 115)	(215 566)	1 053 551

The Chamber provides post-employment medical benefits to employees who retire after 15 years of service. The degree of benefits range from 50% to 30% of the employee's medical aid depending on the number of years' service. The benefit ceases after a period of 5 years after retirement. The benefits are unfunded. The estimated liability to the Chamber of providing for this benefit at 30 June 2023 is R 377 042 (2022: R 377 042), which has been determined using the present value of current contributions to the medical aid at a growth rate of 5%.

11. Certification deposits

Certification deposits held	<u>884 703</u>	<u>855 441</u>
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12. Revenue

Certification fees	7 765 401	7 572 376
Development projects	3 145 323	524 646
Events	-	137 272
Membership fees	5 626 754	6 359 542
Other revenue	75 898	681 398
Webinars and workshops	453 828	15 108
	<u>17 067 204</u>	<u>15 290 342</u>

13. Cost of sales

Rendering of services

Certification fees	992 573	779 305
Development projects	2 227 673	121 738
Other cost of services	266 638	413 105
	<u>3 486 884</u>	<u>1 314 148</u>

14. Other income

Bad debts recovered	55 247	108 350
Movement in provision for audit fees	72 012	-
Realised gains on investments	70 407	299 144
	<u>197 666</u>	<u>407 494</u>

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R
15. Operating expenses		
Operating expenses include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	527 372	210 000
• Contingent amounts	30 475	239 732
	557 847	449 732
Loss on sale of assets and liabilities	-	85 873
Loss on exchange differences	11 254	27 649
Depreciation and amortisation	284 979	104 420
Employee costs	9 332 545	10 891 001
16. Investment revenue		
Interest revenue		
Interest received	163 261	154 218
Dividends received	162 571	173 476
REIT income	22 185	22 396
	348 017	350 090
17. Cash (used in) generated from operations		
Net profit before taxation	1 126 644	485 695
Adjustments for:		
Depreciation and amortisation	284 979	104 420
Loss on sale of assets	-	105 265
Profit on foreign exchange differences	(59 153)	-
Fair value (gains) losses	-	(299 144)
Movement in provisions	(428 847)	247 426
Movement in employee benefits	-	(3 479)
Investment income	(348 017)	(350 090)
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(1 947 358)	(34 447)
Increase/(decrease) in trade and other payables	837 409	57 602
Increase/(decrease) in deferred income	(252 424)	194 313
	(786 767)	507 561
18. Taxation		
Non provision of tax		
No provision has been made for 2023 tax as the chamber is exempt from income tax.		
19. Directors' remuneration		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year.		

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
20. Auditor's remuneration		
Fees	200 965	200 965

21. Related parties

Relationships

Directors

P Ross
Shareholder of ActivPro Business Solutions, a member organisation of the Chamber.

D Brigg
Shareholder of Derryn Brigg Consulting, a member organisation of the Chamber.

T von Zukowski
Employee of Efficient, a member organisation of the Chamber.

Related party balances and transactions

Related party transactions

Expense transactions with related parties

ActivPro - BBBEE Consulting	13 250	12 500
Derryn Brigg Consulting	100 000	-
Efficient - Pension Fund consultancy fee	41 787	-
Efficient - Investment advisory fee	46 728	-

22. Comparative figures

Certain comparative figures have been reclassified.

Statement of Financial Position

Employee benefit accrual: Non-current	-	(353 520)
Employee benefit accrual: Current	-	(23 522)
Trade and other payables: Current	-	(1 098 727)
Provisions	-	1 228 343
Other financial liabilities: Current	-	247 426

23. Going concern

The directors believe that the chamber has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the chamber is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the chamber. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the chamber.

24. 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.

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Detailed Income Statement

	Notes	2023 R	2022 R
Revenue			
Certification fees		7 765 401	7 572 376
Development projects		3 145 323	524 646
Events		-	137 272
Membership fees		5 626 754	6 359 542
Other revenue		75 898	681 398
Webinars and workshops		453 828	15 108
	12	17 067 204	15 290 342
Cost of sales			
Cost of services		(3 486 884)	(1 314 148)
Gross profit		13 580 320	13 976 194
Other income			
Bad debts recovered		55 247	108 350
Movement in provision for audit fees		72 012	-
Realised gains on investments		70 407	299 144
		197 666	407 494
Expenses (Refer to page 22)		(12 999 359)	(14 248 643)
Operating profit		778 627	135 045
Investment income	16	348 017	350 090
Profit for the year		1 126 644	485 135

Cape Town Regional Chamber of Commerce and Industry
Annual Financial Statements for the year ended 30 June 2023

Detailed Income Statement

	Notes	2023 R	2022 R
Operating expenses			
AGM expenses		(28 250)	(35 656)
Administration fees		-	(1 58 989)
Advertising		(133 166)	(88 155)
Auditors remuneration	20	(200 965)	(200 965)
Bad debts		(299 321)	(289 024)
Bank charges		(54 145)	(55 503)
Board member expenses		(79 108)	(73 392)
Cleaning		-	(21 606)
Computer expenses		(412 706)	(426 981)
Consulting fees		(496 347)	(397 919)
Depreciation and amortisation		(284 979)	(104 420)
Donations		-	(1 304)
Employee costs		(9 332 545)	(10 891 001)
Insurance		(64 917)	(57 718)
Loss on exchange differences		(11 254)	(27 649)
Loss on sale of assets		-	(85 873)
Municipal costs		-	(17 558)
Networking costs		(144 705)	(116 048)
Placement fees		(101 255)	(10 565)
Platform fees		(230 063)	-
Postage		(1 125)	(1 169)
Printing and stationery		(137 394)	(43 213)
Rent		(557 847)	(449 732)
Repairs and maintenance		(34 087)	(243 005)
Staff welfare		(82 248)	(1 075)
Subscriptions		(10 000)	(38 484)
Telephone and fax		(169 527)	(310 617)
Training		(79 942)	(51 773)
Travel - local		(53 463)	(49 249)
		(12 999 359)	(14 248 643)