



**PRETORIA AMATEUR RADIO CLUB**  
Annual Financial Statements  
for the year ended 30 June 2021

# PRETORIA AMATEUR RADIO CLUB

Annual Financial Statements for the year ended 30 June 2021

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Amateur Radio Club
<b>Committee Members</b>	J de Bruin - Chairman L de Wet - Vice-Chairmain G Reid - Treasurer
<b>Postal address</b>	PO BOX 73696 Lynnwood Ridge 0040
<b>Auditor</b>	SFS Accountants & Auditors Chartered Accountants (S.A.) Registered Auditors

# PRETORIA AMATEUR RADIO CLUB

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

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### **Level of assurance**

These annual financial statements have been audited in compliance with the applicable requirements of the clubs constitution.

### **Published**

08 September 2021

# PRETORIA AMATEUR RADIO CLUB

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## Committee Members' Responsibilities and Approval

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The committee members are required by the constitution of the club 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 company 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 auditor is 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 committee members acknowledge that they are ultimately responsible for the system of internal financial control established by the club and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the committee members 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 club and all employees are required to maintain the highest ethical standards in ensuring the club's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the club is on identifying, assessing, managing and monitoring all known forms of risk across the club. While operating risk cannot be fully eliminated, the club endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The committee members 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 committee members have reviewed the club's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, they are satisfied that the club has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and their report is presented on page 5.

The annual financial statements set out on page 7, which have been prepared on the going concern basis, were approved by the board on 08 September 2021 and were signed on its behalf by:

### Approval of annual financial statements



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J de Bruin - Chairman



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L de Wet - Vice-Chairman

# **PRETORIA AMATEUR RADIO CLUB**

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## **Committee Members' Report**

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The committee members have pleasure in submitting their report on the annual financial statements of PRETORIA AMATEUR RADIO CLUB for the year ended 30 June 2021.

### **1. 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 PARC Constitution. 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 club are set out in these annual financial statements.

### **2. Events after the reporting period**

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

### **3. Auditors**

At the AGM, the members will be requested to reappoint SFS Accountants & Auditors as the independent external auditors of the company and to confirm AHN Schreuder as the designated lead audit partner for the 2022 financial year.

### **4. Secretary**

The club secretary is Irene Myburgh.



## Independent Auditor's Report

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**To the Members of PRETORIA AMATEUR RADIO CLUB**

### **Opinion**

I have audited the annual financial statements of PRETORIA AMATEUR RADIO CLUB (the club) set out on pages 7 to 11, which comprise the statement of financial position as at 30 June 2021, statement of income and retained earnings, 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 my opinion, the annual financial statements present fairly, in all material respects, the financial position of PRETORIA AMATEUR RADIO CLUB as at 30 June 2021, 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 .

### **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of my report. I am independent of the club 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. I have fulfilled my 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). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

As is common with similar organisations, it is not feasible for the club to institute accounting controls over cash collections from donations, flea market activities or other cash receipts prior to the initial entry of such collections in the accounting records. Accordingly I was unable to extend my examination beyond the documentation supporting the initial entry recording such income.

### **Other Information**

The Committee Members are responsible for the other information. The other information comprises the information included in the document titled "PRETORIA AMATEUR RADIO CLUB annual financial statements for the year ended 30 June 2021", which includes the Committee Members' Report as required by the constitution and the supplementary information as set out on page 12. The other information does not include the annual financial statements and my auditor's report thereon.

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

In connection with my audit of the annual financial statements, my 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 my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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# Independent Auditor's Report

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## Responsibilities of the Committee members for the Annual Financial Statements

The Committee Members 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 club constitution, and for such internal control as the Committee Members 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 committee members are responsible for assessing the clubs'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 committee members either intend to liquidate the clubs or to cease operations, or have no realistic alternative but to do so.

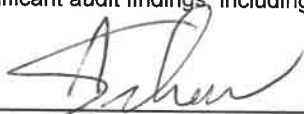
## Auditor's Responsibilities for the Audit of the Annual Financial Statements

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 clubs's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- Conclude on the appropriateness of the committee members' 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 clubs's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the club 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.

I communicate with the committee members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



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**SFS Accountants & Auditors**  
**AHN Schreuder**  
**Partner**  
**Chartered Accountant (SA)**  
**Registered Auditors**

**08 September 2021**  
**Pretoria**

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# PRETORIA AMATEUR RADIO CLUB

Annual Financial Statements for the year ended 30 June 2021

## Statement of Financial Position as at 30 June 2021

Figures in Rand	Note(s)	2021	2020
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	2	283 122	273 044
<b>Total Assets</b>		<b>283 122</b>	<b>273 044</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		283 120	273 043
<b>Liabilities</b>			
Current Liabilities			
Trade and other payables		2	1
<b>Total Equity and Liabilities</b>		<b>283 122</b>	<b>273 044</b>



# PRETORIA AMATEUR RADIO CLUB

Annual Financial Statements for the year ended 30 June 2021

## Statement of Income and Retained Earnings

Figures in Rand	Note(s)	2021	2020
Revenue	3	13 790	14 788
Cost of sales	4	(2 895)	(2 513)
<b>Gross profit</b>		<b>10 895</b>	<b>12 275</b>
Other income	5	1 851	516
Operating expenses		(12 264)	(10 205)
<b>Operating profit</b>		<b>482</b>	<b>2 586</b>
Investment revenue		9 595	15 363
<b>Profit for the year</b>		<b>10 077</b>	<b>17 949</b>
Opening balance		273 044	255 094
<b>Retained income at the end of the year</b>		<b>283 121</b>	<b>273 043</b>

# PRETORIA AMATEUR RADIO CLUB

Annual Financial Statements for the year ended 30 June 2021

## Statement of Cash Flows

Figures in Rand	Note(s)	2021	2020
<b>Cash flows from operating activities</b>			
Cash receipts from members		15 370	15 304
Cash paid to suppliers		(14 887)	(12 718)
Cash generated from club activities		483	2 586
Interest income		9 595	15 363
<b>Net cash from club activities</b>		<b>10 078</b>	<b>17 949</b>
<b>Total cash movement for the year</b>		<b>10 078</b>	<b>17 949</b>
Cash at the beginning of the year		273 044	255 094
<b>Total cash at end of the year</b>	2	<b>283 122</b>	<b>273 043</b>

# **PRETORIA AMATEUR RADIO CLUB**

Annual Financial Statements for the year ended 30 June 2021

## **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, and the club constitution. 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 Revenue**

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

Membership fees are recognised as revenue once received by the club.

# PRETORIA AMATEUR RADIO CLUB

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## Notes to the Annual Financial Statements

Figures in Rand	2021	2020
<b>2. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	2 202	1 799
Bank balance - FNB Current Account	4 251	4 146
Short-term deposit - FNB 32 Day Flexi Notice	276 669	267 073
Other cash and cash equivalents	-	26
	<b>283 122</b>	<b>273 044</b>
<b>3. Revenue</b>		
Flea Market Income	4 096	3 500
Membership Fees	9 694	11 288
	<b>13 790</b>	<b>14 788</b>
<b>4. Cost of sales</b>		
<b>Sale of goods</b>		
Flea Market expenses	2 895	2 513
<b>5. Other income</b>		
Recoveries	271	26
Donations	1 580	490
	<b>1 851</b>	<b>516</b>

# PRETORIA AMATEUR RADIO CLUB

Annual Financial Statements for the year ended 30 June 2021

## Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
<b>Revenue</b>			
Flea Market Income		4 096	3 500
Membership Fees		9 694	11 288
	3	<b>13 790</b>	<b>14 788</b>
<b>Cost of sales</b>			
Flee market expenses		(2 895)	(2 513)
<b>Gross profit</b>		<b>10 895</b>	<b>12 275</b>
<b>Other income</b>			
Canteen Float		271	26
Donations		1 580	490
		<b>1 851</b>	<b>516</b>
<b>Operating expenses</b>			
Bank charges		(1 733)	(2 255)
Computer expenses		(3 219)	(3 084)
General Expenses		(760)	-
ICASA Repeater Licence		-	(154)
PARC AGM expenses		(750)	(3 577)
Pensioners Tea		(2 157)	-
PO Box Rental		(585)	(535)
Repeater Maintenance		-	(400)
SARL Subs - ZS6PTA		(200)	(200)
Trailer Licenses		(2 860)	-
		<b>(12 264)</b>	<b>(10 205)</b>
<b>Operating profit</b>		<b>482</b>	<b>2 586</b>
Investment income		9 595	15 363
<b>Profit for the year</b>		<b>10 077</b>	<b>17 949</b>