

**THE READING ASSOCIATION OF SOUTH AFRICA**  
**(Registration number 034-281-NPO)**  
**ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 December 2015**

Valentine Sargeant  
Chartered Accountants (S.A.)  
Registered Accountants and Auditors  
Issued 27 April 2016


**THE READING ASSOCIATION OF SOUTH AFRICA  
ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 December 2015**

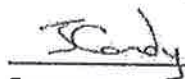
The reports and statements set out below comprise the annual financial statements presented to the members:

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**Approval**

The financial statements which appear on pages 3 to 6 were approved by the Executive Committee on 27 April 2016 and signed on their behalf by:

  
5/5/2016  
Chairman

  
Secretary

**Cape Town  
27 April 2016**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE READING ASSOCIATION OF SOUTH AFRICA**

We have audited the annual financial statements of The Reading Association of South Africa set out on pages 3 to 6 for the year ended 31 December 2015. These financial statements are the responsibility of Executive Committee of the association. Our responsibility is to express an opinion on these financial statements based on our audit.

**Scope**

We conducted our audit in accordance with statements of South African Statements of Generally Accepted Accounting Practice for Small and Medium-sized Entities. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

**Audit opinion**

In our opinion, the financial statements fairly present, in all material respects, the financial position of the association at 31 December 2015 and the results of its operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice for Small and Medium-sized Entities.

*Valentine Sargeant*

**Valentine Sargeant  
Chartered Accountants (S.A.)  
Registered Accountants and Auditors**

**Cape Town  
27 April 2016**

**THE READING ASSOCIATION OF SOUTH AFRICA**  
**BALANCE SHEET**  
as at 31 December 2015

	Notes	2015 R	2014 R
<b>Assets</b>			
<b>Current assets</b>			
Bank balances		546,033	348,120
Cash on hand		2,193	1,513
<b>Total assets</b>		<u>548,226</u>	<u>349,633</u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Accumulated reserves		541,726	343,283
<b>Current liabilities</b>			
Accounts payable		6,500	6,350
<b>Total equity and liabilities</b>		<u>548,226</u>	<u>349,633</u>

**THE READING ASSOCIATION OF SOUTH AFRICA**  
**INCOME STATEMENT**  
for the year ended 31 December 2015

	Note	2015 R	2014 R
<b>Income</b>		367,875	330,339
Conference		12,000	111,473
Donations received		331,633	202,300
Interest received		4,212	1,241
Membership fees received		17,300	7,130
Workshop fees		2,730	8,195
<b>Total income</b>		<u>367,875</u>	<u>330,339</u>
<b>Expenditure</b>		169,432	217,605
Administration fees		18,933	12,190
Auditors' remuneration		3,000	2,872
Bank charges		6,454	4,023
Conference		115,960	116,499
Entertainment		9,558	8,532
Journal		-	8,217
Travel expenses		10,694	61,852
Web site		4,833	3,420
<b>Surplus</b>		<u>198,443</u>	<u>112,734</u>
Retained surplus at beginning of year		<u>343,283</u>	<u>230,549</u>
Retained surplus at end of year		<u><u>541,726</u></u>	<u><u>343,283</u></u>

**THE READING ASSOCIATION OF SOUTH AFRICA**  
**CASH FLOW STATEMENT**  
for the year ended 31 December 2015

	Notes	2015 R	2014 R
<b>Cash flows from operating activities</b>			
Cash generated by operating activities	3.1	194,381	96,406
Interest received		4,212	1,241
Net cash from operating activities		<u>198,593</u>	<u>97,647</u>
Increase in cash and cash equivalents		198,593	97,647
Cash and cash equivalents at beginning of the year	3.2	<u>349,633</u>	<u>251,986</u>
Cash and cash equivalents at end of the year	3.2	<u><u>548,226</u></u>	<u><u>349,633</u></u>

**THE READING ASSOCIATION OF SOUTH AFRICA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2015

**1 Basis of preparation**

The financial statements are prepared in accordance with statements of generally accepted accounting practice. The following is the principal accounting policy used by the association which is consistent with prior years.

**1.1 Revenue recognition**

Income is recognised at the date of receipt.

**2. Taxation**

The association is exempt from income tax.

**3. Notes to the cash flow statement**

*3.1 Cash generated by operating activities*

	<b>2015</b>	<b>2014</b>
	<b>R</b>	<b>R</b>
Net profit	198,443	112,734
Adjustments for:		
Interest received	<u>(4,212)</u>	<u>(1,241)</u>
	194,231	111,493
Movements in working capital		
Increase/(decrease) in accounts payable	<u>150</u>	<u>(15,087)</u>
	<u><u>194,381</u></u>	<u><u>96,406</u></u>

*3.2 Cash and cash equivalents*

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Bank balances	<u><u>548,226</u></u>	<u><u>349,633</u></u>
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