Johannesburg Attorneys Association
Financial statements
for the year ended 31 May 2021

Adler and Associates
Chartered Accountant (SA)
Registered Auditor

Johannesburg Attorneys Association

Financial Statements for the year ended 31 May 2021

General Information

Country of incorporation and domicile	South Africa
Members	Y Wadee W Bloem K Gascoigne C Gladwin-Wood N De Klerk A Theron H Sader N Messina H Eksteen L Du Toit M Van Dijk B Shipalana W Janse Van Rensburg
Business address	Johannesburg High Court Cnr Prichard and Kruis Streets Johannesburg 2001
Bankers	Standard Bank
Auditor	Adler and Associates Chartered Accountant (SA) Registered Auditor Member firm

Johannesburg Attorneys Association

Financial Statements for the year ended 31 May 2021

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

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Level of assurance

The financial statements are audited.

Published

29 September 2021

Members' Responsibilities and Approval

The members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The accounting officer is responsible to determine that the financial statements are in agreement with the accounting records, summarised in the manner required by section 58(2)(d) of the Act.

The members are also responsible for the association's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the members have every reason to believe that the association has adequate resources in place to continue in operation for the foreseeable future.

The members of the association confirm that as at 31 May 2021, the assets of the association exceeded its liabilities.

The financial statements set out on page 4, were approved by all members on 29 September 2021 and have been signed by them or on their behalf by:

C Gladwin-Wood

K Gascoigne

Members' Report

The members submit their report for the year ended 31 May 2021.

1. Incorporation

The Association is an unincorporated common law association established by constitution and operates in South Africa .

2. Review of activities

Main business and operations

Net loss of the association was R1,287,463 (2020: loss R479,159), after taxation of R- (2020: R-).

3. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

4. Events after the reporting period

The members are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

5. Members

The members of the association during the year and to the date of this report are as follows:

Name	Office	Changes
Y Wadee	Vice Chairperson	
J Tarica	Vice Chairperson	Member until Wednesday, 05 May 2021
W Bloem	General Member	
K Gascoigne	Treasurer	
C Gladwin-Wood	Chairperson	
N De Klerk	General Member	
A Theron	General Member	
H Sader	General Member	
N Messina	General Member	
S Nhlabathi	General Member	Member until Wednesday, 14 October 2020
H Eksteen	General Member	
L Du Toit	Secretary	
M Van Dijk	General Member	
B Shipalana	General Member	
W Janse Van Rensburg	General Member	Member from Thursday, 01 October 2020

6. Auditor

Adler and Associates will continue in office for the next financial period.

ADLER AND ASSOCIATES
CHARTERED ACCOUNTANTS (SA)

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Independent Auditor's Report

To the Members of Johannesburg Attorneys Association

Opinion

I have audited the financial statements of Johannesburg Attorneys Association (the close corporation) set out on pages 7 to 14, which comprise the statement of financial position as at 31 May 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Johannesburg Attorneys Association as at 31 May 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 Financial Statements section of my report. I am independent of the close corporation 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 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.

Other Matter

Other Information

The members are responsible for the other information. The other information comprises the information included in the document titled "Johannesburg Attorneys Association financial statements for the year ended 31 May 2021", which includes the Members' Report as required by the and the supplementary information as set out on page 15, which I obtained prior to the date of this report, and the Annual Report, which is expected to be made available to me after that date. The other information does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, 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.

Independent Auditor's Report

Responsibilities of the Members for the Financial Statements

The members are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the , and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the close corporation’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 members either intend to liquidate the close corporation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 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 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 close corporation’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the 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 close corporation’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 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 close corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the 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.

Adler and Associates
SC Roux CA (SA)
Chartered Accountant (SA)
Registered Auditor

29 September 2021
Krugersdorp

Statement of Financial Position as at 31 May 2021

Figures in Rand	Note(s)	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	1	1
Current Assets			
Trade and other receivables	3	248,331	654,739
Cash and cash equivalents	4	1,131,202	1,742,606
		1,379,533	**2,397,345**
Total Assets		**1,379,534**	**2,397,346**
Equity and Liabilities			
Members' interest and reserves			
Reserves		966,844	966,844
Retained income		75,236	1,362,699
		1,042,080	**2,329,543**
Liabilities			
Current Liabilities			
Trade and other payables	5	337,454	67,803
Total Equity and Liabilities		**1,379,534**	**2,397,346**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2021	2020
Revenue	6	378,839	1,002,207
Cost of sales	7	(916,063)	(525,150)
Gross (loss) profit		**(537,224)**	**477,057**
Other income		10,739	30,239
Operating expenses		(769,682)	(1,029,307)
Operating loss		**(1,296,167)**	**(522,011)**
Investment revenue	8	9,379	45,079
Finance costs		(675)	(2,227)
Loss for the year		**(1,287,463)**	**(479,159)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(1,287,463)**	**(479,159)**

Statement of Changes in Equity

Figures in Rand	Reserves for own shares / Share repurchase reserve	Retained income	Total equity
Balance at 01 June 2019	**1,123,218**	**1,781,159**	**2,904,377**
Loss for the year	-	(479,159)	(479,159)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	**-**	**(479,159)**	**(479,159)**
Movements for prior years	(156,374)	60,699	(95,675)
Total changes	**(156,374)**	**60,699**	**(95,675)**
Balance at 01 June 2020	**966,844**	**1,362,699**	**2,329,543**
Loss for the year	-	(1,287,463)	(1,287,463)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	**-**	**(1,287,463)**	**(1,287,463)**
Balance at 31 May 2021	**966,844**	**75,236**	**1,042,080**

Note(s)

Statement of Cash Flows

Figures in Rand	Note(s)	2021	2020
Cash flows from operating activities			
Cash used in operations	11	(620,108)	(687,525)
Interest income		9,379	45,079
Finance costs		(675)	(2,227)
Net cash from operating activities		**(611,404)**	**(644,673)**
Cash flows from investing activities			
Decrease in reserves		-	(95,675)
Total cash movement for the year		**(611,404)**	**(740,348)**
Cash at the beginning of the year		1,742,606	2,482,954
Total cash at end of the year	4	**1,131,202**	**1,742,606**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The 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 . The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 Property, plant and equipment

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

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 association.

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

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	6 years

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.

1.2 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 loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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.

Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.3 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.

1.4 Revenue

Revenue is recognised to the extent that the association 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 association. 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 rate method.

1.5 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Figures in Rand	2021	2020

2. Property, plant and equipment

	2021			2020		
	Cost or revaluation	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	113,800	(113,800)	-	113,800	(113,800)	-
Office equipment	39,481	(39,480)	1	39,481	(39,480)	1
Total	**153,281**	**(153,280)**	**1**	**153,281**	**(153,280)**	**1**

Reconciliation of property, plant and equipment - 2021

	Opening balance	**Closing balance**
Office equipment	1	1

Reconciliation of property, plant and equipment - 2020

	Opening balance	**Closing balance**
Office equipment	1	1

3. Trade and other receivables

Trade receivables	229,218	637,080
VAT	19,113	17,659
	248,331	**654,739**

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	366	366
Bank balances	1,130,836	1,742,240
	1,131,202	**1,742,606**

5. Trade and other payables

Trade payables	337,455	67,804

6. Revenue

Income - High Court	420,179	453,006
Income - Magistrates Court	-	11
Income - Randburg Court	6,925	39,645
Income - Subscriptions	(48,265)	509,545
	378,839	**1,002,207**

Notes to the Financial Statements

Figures in Rand	2021	2020

7. Cost of sales

Rendering of services		
Costs - High Court	338,141	323,155
Costs - Magistrates Court	73,108	101,917
Costs - Randburg Court	94,288	86,066
Costs - Booysens Court	-	14,012
Costs - RAF Campaign	317,196	-
Costs - Masters Office	65,178	-
Costs - Seminars and Lectures	28,152	-
	916,063	**525,150**

8. Investment revenue

Interest revenue		
Bank	9,379	45,079

9. Taxation

No provision has been made for 2021 tax as the association is exempt of income tax in terms of the provision of section 10(1)(d)(iv)(bb) of the income Tax Act of South Africa.

10. Auditor's remuneration

Fees	14,123	14,000

11. Cash used in operations

Loss before taxation	(1,287,463)	(479,159)
Adjustments for:		
Interest received	(9,379)	(45,079)
Finance costs	675	2,227
Changes in working capital:		
Trade and other receivables	406,408	(182,435)
Trade and other payables	269,651	16,921
	(620,108)	**(687,525)**

Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
Revenue			
Income - High Court		420,179	453,006
Income - Magistrates Court		-	11
Income - Randburg Court		6,925	39,645
Income - Subscriptions		(48,265)	509,545
	6	**378,839**	**1,002,207**
Cost of sales			
Purchases		(916,063)	(525,150)
Gross (loss) profit		**(537,224)**	**477,057**
Other income			
Donations received		10,739	30,239
Operating expenses			
Accounting fees		(24,150)	(21,392)
Advertising		(62,886)	(90,000)
Auditors remuneration	10	(14,123)	(14,000)
Bad debts		(3,165)	-
Bank charges		(10,996)	(16,605)
Cleaning		(2,481)	(5,013)
Computer expenses		(12,949)	(11,877)
Employee costs		(534,255)	(635,007)
Gifts		-	(25,646)
Insurance		(1,284)	(1,307)
Meeting expenses		(4,162)	(75,551)
Repairs and maintenance		(1,954)	(12,099)
Staff welfare		-	(8,932)
Travel - local		(772)	(874)
Website costs		(96,505)	(111,004)
		(769,682)	**(1,029,307)**
Operating loss		**(1,296,167)**	**(522,011)**
Investment income	8	9,379	45,079
Finance costs		(675)	(2,227)
		8,704	**42,852**
Loss for the year		**(1,287,463)**	**(479,159)**

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