**FORM CO-OP 15.2 (For Category A2 Primary Co-operatives)**

**REPUBLIC OF SOUTH AFRICA**

**CO-OPERATIVES ACT, 2005 AS AMENDED**

**Insert Logo**

**[Insert name of the Co-operative here]**

(Registration number …........................................)

Financial statements

For the year ended 31 December 20x2

These financial statements were prepared by:

Issue date:

**Name of Co-operative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(Registration number: ……...........................……..)

Financial Statements for the year ended 31 December 20x2

**General Information**

**Country of incorporation and domicile:** South Africa

**Nature of business and principal activities:**..........................................................................................................

...................................................................................................................................................................................

...................................................................................................................................................................................

**Registered office:** Address:...........................................................................

.............................................................................

.............................................................................

.............................................................................

**Business address:** Address:.........................................................................

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............................................................................

**Postal address:** Address:.......................................................................

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**Bankers:** Bank:.........................................................................

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**Name of Co-operative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(Registration number…………..)

Financial Statements for the year ended 31 December 20x2

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**Name of co-operative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(Registration number…………..)

Financial Statements for the year ended 31 December 20x2

**Members’ Responsibility 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 ensure that the financial statements are in agreement with the accounting records and in accordance with Co-operatives Act 14 of 2005 as amended.

The members are also responsible for the co-operatives system of internal financial control. This is 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 break down 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 co-operative has adequate resources in place to continue to operate for the foreseeable future.

The members of the co-operative confirm that as at 31 December 20x2, the assets of the co-operative exceeded its liabilities.

The financial statements were approved at the annual general meeting by members in compliance with the requirements of the Act and the co-operative’s constitution.

**Name Name**

**Place**:

**Date**:

**Accounting Officer’s Report**

**Name of Co-operative:..............................................................................................................................................**

**To the members of the abovementioned co-operative**

We have performed the duties of accounting officer to …................................... Co-operative for the year ended 31 December 20x2.The financial statements of…........................................Co-operative are set out on pages 7 to 27 are the responsibility of the members.

We have determined that the financial statements are in agreement with the accounting records, summarised in the manner required by the Co-operatives Act and have done so by adopting such procedures and conducting such enquiries in relation to the accounting records as we considered necessary in the circumstances. We have also reviewed the accounting policies which have been represented to us as having been applied in the preparation of the financial statements, and we consider that they are appropriate to the business.

Name

Designation

Place

Date

**Name of Co-operative: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(Registration number…………..)

Financial Statements for the year ended 31 December 20x2

**Members’ Report**

The members submit their report for the year ended 31 December 20x2.

1. **Incorporation**

The Co-operative was registered South Africa on….………and obtained its certificate to commence business on …......................

1. **Review of activities**

**Main business and operations**

The Co-operative is engaged in a………[describe nature of the Co-operative’s business here]………………………………and operates principally in South Africa.

The operating results and state of affairs of the Co-operative are fully set out on pages 7 to 27 of the financial statements and do not, in our opinion, require any further comment.

1. **Going concern**

The financial statements have been prepared on a going concern basis. 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.

1. **Events after the reporting period**

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

1. **Members' shares**

Refer to note 11 for details of changes to members' shares.

1. **Members**

The members of the co-operative during the year and on the date of this report are as follows:

Name Nationality

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(Registration number…………..)

Financial Statements for the year ended 31 December 20x2

|  |  |  |  |
| --- | --- | --- | --- |
| **Statement of Financial Position (Balance Sheet) as at 31 December 20x2** | | | |
| Figures in Rand | Note(s) | 20x2 | 20x1 |
|  |  |  |  |
| **Assets** |  |  |  |
| **Non-current Assets** |  |  |  |
| Property, Plant and Equipment |  | xxx | xxx |
| Intangible assets |  | xxx | xxx |
| Investments |  | xxx | xxx |
| Loans to members |  | xxx | xxx |
| Deferred tax |  | xxx | xxx |
|  |  | **xxx** | **xxx** |
| **Current Assets** |  |  |  |
| Inventories (Stock) |  | xxx | xxx |
| Trade receivables (Debtors) |  | xxx | xxx |
| Prepayments |  | xxx | xxx |
| Accrued income |  | xxx | xxx |
| Interest receivable |  | xxx | xxx |
| Loans to members |  | xxx | xxx |
| Staff loans  Cash and cash equivalents |  | xxx  xxx | xxx  xxx |
|  |  | **xxx** | **xxx** |
| **Total Assets (Non-current Assets plus Current Assets)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Members' shares, Reserves and Liabilities** |  |  |  |
|  |  |  |  |
| **Members' shares and reserves** |  |  |  |
| Members' contributions |  | xxx | xxx |
| Accumulated profit |  | xxx | xxx |
| Indivisible reserve |  | xxx | xxx |
| Revaluation reserve |  | xxx | xxx |
| **Total Members' shares, and Reserves** |  | **xxx** | **xxx** |
|  |  |  |  |

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) | | |  |
| Financial Statements for the year ended 31December 20x2 | |  |  |
|  |  |  |  |
| **Statement of Financial Position (Balance Sheet) as at 31 December 20x2 (continued)** | | | |
| Figures in Rand | Note(s) | 20x2 | 20x1 |
|  |  |  |  |
| **Liabilities** |  |  |  |
| **Non-current Liabilities** |  |  |  |
| Mortgage loan |  | xxx | xxx |
| Bank loan |  | xxx | xxx |
| Loans from members |  | xxx | xxx |
| Long-term employee benefits  Deferred tax |  | xxx  xxx | xxx  xxx |
|  |  | **xxx** | **xxx** |
|  |  |  |  |
| **Current Liabilities** |  |  |  |
| Trade payables (creditors) |  | xxx | xxx |
| Accrued expenses |  | xxx | xxx |
| Income received in advance |  | xxx | xxx |
| Interest payable |  | xxx | xxx |
| Bank overdraft |  | xxx | xxx |
| Tax payable |  | xxx | xxx |
|  |  | **xxx** | **xxx** |
| **Total Members' shares, Reserves and Liabilities** |  | **xxx** | **xxx** |

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

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| Financial Statements for the year ended 31December 20x2 | |  |  |
|  |  |  |  |
| **Income Statement** |  |  |  |
| Figures in Rand | Note(s) | 20x2 | 20x2 |
|  |  |  |  |
| Sales |  | xxx | xxx |
| Cost of Sales |  | xxx | xxx |
| **Gross Profit** |  | **xxx** | **xxx** |
| Other income |  | xxx | xxx |
| Fair value adjustments/revaluation |  | xxx | xxx |
| Operating expenses |  | xxx | xxx |
| **Profit/loss before interest and tax** |  | **xxx** | **xxx** |
| Interest income |  | xxx | xxx |
| Interest expense |  | xxx | xxx |
| **Profit/loss before tax** |  | **xxx** | **xxx** |
| Taxation |  | xxx | xxx |
| **Profit/loss for the year** |  | **xxx** | **xxx** |

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) | | | | |  | | |
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| Financial Statements for the year ended 31December 20x2  **Statement of Changes in Member Shares and Reserves** | | | |  | |  |
| Figures in Rands | Note(s) | **Member shares** | **Accumulated Profit** | **Indivisible reserve** | | **Revaluation reserve** | | | **Total** |
|  |  |  |  |  | |  | | |  |
| **Balance as at 1 January 20x1** |  | **xxx** | **xxx** | **Xxx** | | **xxx** | | | **xxx** |
| Profit for year |  |  | xxx |  | |  | | | xxx |
| Increase/(decrease) in members' contributions | | xxx |  |  | |  | | | xxx |
| Transfer to/(from) revaluation reserve |  |  |  |  | | xxx | | | xxx |
| Transfer to/(from) indivisible reserve |  |  |  | Xxx | |  | | | xxx |
| **Balance as at 31 December 20x1** |  | **xxx** | **xxx** | **Xxx** | | **xxx** | | | **xxx** |
| Profit for year |  |  | xxx |  | |  | | | xxx |
| Increase/(decrease) in members' contributions | | xxx |  |  | |  | | | xxx |
| Transfer to/(from) revaluation reserve |  |  |  |  | | xxx | | | xxx |
| Transfer to/(from) indivisible reserve |  |  |  | Xxx | |  | | | xxx |
| **Balance as at 31 December 20x2** |  | **xxx** | **xxx** | **Xxx** | | **xxx** | | | **xxx** |

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

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| Financial Statements for the year ended 31December 20x2 | |  |  |
| **Statement of Cash Flows** |  |  |  |
| Figures in Rand | Note(s) | 20x2 | 20x1 |
|  |  |  |  |
| **Cash flows from operating activities** |  |  |  |
|  |  |  |  |
| Cash receipts from customers |  | xxx | xxx |
| Cash paid to suppliers |  | (xxx) | (xxx) |
| Cash generated from (used in) operations |  | xxx | xxx |
| Interest income |  | xxx | xxx |
| Interest expense |  | (xxx) | (xxx) |
| Tax paid |  | (xxx) | (xxx) |
| **Net cash from operating activities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Cash flows from investing activities** |  |  |  |
| Purchase of Property, Plant and Equipment |  | (xxx) | (xxx) |
| Proceeds from sale of Property, Plant and Equipment |  | xxx | xxx |
| Purchase of Intangible Assets |  | (xxx) | (xxx) |
| Proceeds from sale of Intangible Assets |  | xxx | xxx |
| Purchase of Investments |  | (xxx) | (xxx) |
| Proceeds from sale investments |  | xxx | Xxx |
| **Net cash from investing activities** |  | **xxx** | **Xxx** |
|  |  |  |  |
| **Cash flows from investing activities** |  |  |  |
| Proceeds from members' loans |  | xxx | xxx |
| Repayment of members' loans |  | (xxx) | (xxx) |
| Proceeds from mortgage loan |  | xxx | xxx |
| Repayment of mortgage loan |  | (xxx) | (xxx) |
| Proceeds from bank loan/overdraft |  | xxx | Xxx |
| Repayment of bank loan/overdraft |  | (xxx) | (xxx) |
| **Net cash from financing activities** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Total cash movement for the year** |  | **xxx** | **xxx** |
| Cash at the beginning of the year |  | xxx | xxx |
| **Total cash at the end of the year** |  | **xxx** | **Xxx** |

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number …………………………… ) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

1. **Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with the accounting policies as determined by the members and are set are below. The financial statements have been prepared on the historical cost basis and (modified for the revaluation of land and buildings and or fair valuation of investments). These financial statements are presented in South African Rands.

* 1. **Property, plant and equipment** 
     1. **Property, Plant and Equipment carried at cost**

Property, plant and equipment are initially recognised at cost and subsequently at cost less accumulated depreciation and accumulated impairment losses.

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. Ongoing repairs and maintenance are recognised in profit or loss in the period they are incurred.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on disposal of the asset (calculated as the difference between the proceeds and the carrying amount of the asset) is included in the profit or loss in the year the item is disposed of.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the use full life of the property, plant and equipment, as follows:

**Average useful life**

Buildings years/%

Plant and Machinery years/%

Furniture and Fixtures years/%

Motor Vehicles years/%

Computer Equipment years/%

The residual value, depreciation method and useful life of each asset are reassessed only when there is an indication that there has been a significant change from the previous estimate.

At each reporting date, property, plant and equipment are reviewed to determine whether there is any indication that they have suffered an impairment loss. If there is an indication of possible impairment, 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.

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
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| (Registration number ………….……….) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

* + 1. **Property, Plant and Equipment (Land and Buildings carried at revaluation through equity)**

Property, plant and equipment is initially recognised at cost and subsequently at cost less accumulated depreciation and accumulated impairment losses with the exception of land and buildings which are subsequently carried at a revalued amount, being the fair value at the date of revaluation, determined from market-based evidence by appraisal undertaken by a professional valuer, less any subsequent accumulated depreciation and accumulated impairment losses.

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. Ongoing repairs and maintenance are recognised in profit or loss in the period they are incurred.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on disposal of the asset (calculated as the difference between the proceeds and the carrying amount of the asset) is included in the profit or loss in the year the item is disposed of.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve. A decrease in the carrying amount arising on the revaluation of such land and buildings is debited to the revaluation reserve to the extent of any previous revaluations of that asset in equity before recognition in the profit or loss.

The realised portion of the revaluation reserve is transferred to accumulated reserves. An annual transfer from the revaluation reserve to accumulated reserves is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to accumulated reserves.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, as follows:

**Average useful life**

Buildings years/%

Plant and Machinery years/%

Furniture and Fixtures years/%

Motor Vehicles years/%

Computer Equipment years/%

The residual value, depreciation method and useful life of each asset are reassessed only when there is an indication that there has been a significant change from the previous estimate.

* + 1. **Property, Plant and Equipment (Land and Buildings carried at revaluation through profit or loss) (option 2)**

Property, plant and equipment is initially recognised at cost and is subsequently measured at fair value through profit or loss.

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. Ongoing repairs and maintenance are recognised in profit or loss in the period they are incurred.

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

1.1.3 **Property, Plant and Equipment (Land and Buildings carried at revaluation through profit or loss) (option 2) (continued)**

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on disposal of the asset (calculated as the difference between the proceeds and the carrying amount of the asset) is included in the profit or loss in the year the item is disposed of.

The residual value, depreciation method and useful life of each asset are reassessed only when there is an indication that there has been a significant change from the previous estimate.

* + 1. **Intangible assets**

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

Costs include costs incurred initially to acquire the intangible asset and costs incurred subsequently to add to, replace part of, or service it. Ongoing repairs and maintenance are recognised in profit or loss in the period they are incurred.

An intangible asset is derecognised upon disposal. Any gain or loss arising on disposal of the asset (calculated as the difference between the proceeds and the carrying amount of the asset) is included in the profit or loss in the year the item is disposed of.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the intangible asset, as follows:

**Average useful life**

Computer software years/%

The residual value, depreciation method and useful life of each asset are reassessed only when there is an indication that there has been a significant change from the previous estimate.

At each reporting date, intangible assets are reviewed to determine whether there is any indication that they have suffered an impairment loss. If there is an indication of possible impairment, 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.

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

* 1. **Investments**
     1. **Investments measured at cost**

Investments are measured at the transaction price (cost).

Investments are derecognised upon disposal. Any gain or loss arising on disposal of the investment (calculated as the difference between the proceeds and the carrying amount of the investment) is included in the profit or loss in the year the investment is disposed of.

* + 1. **Investments measured at fair value**

Investments are measured at the transaction price (cost) and subsequently at fair value. Fair value adjustments on investments are recognised in profit or loss.

Investments are derecognised upon disposal. Any gain or loss arising on disposal of the investment (calculated as the difference between the proceeds and the carrying amount of the investment) is included in the profit or loss in the year the investment is disposed of.

* 1. **Tax**

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. Current tax is measured at an amount that includes the effect of the possible outcomes of a review by the South African Receiver of Revenue (SARS).

* + 1. **Deferred tax assets and liabilities**

A deferred tax liability and deferred tax asset is recognised for all temporary differences, unused tax losses and unused tax credits.

The tax basis of an asset equals the amount that would have been deductible in arriving at taxable profit if the carrying amount of the asset had been recovered through sale at the end of the reporting period. If the recovery of the asset through sale does not increase taxable profit, the tax basis is deemed to be equal to the carrying amount.

The tax basis of a liability equals its carrying amount less any amounts deductible in determining taxable profit (or plus any amounts included in taxable profit) that would have arisen if the liability had been settled for its carrying amount at the end of the reporting period. In the case of deferred revenue, the tax base of the resulting liability is its carrying amount, less any amount of revenue that will not be taxable in future periods.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using the tax rates that, on the basis of enacted or substantially enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

1.3.2 **Tax expenses**

Tax expense is recognised in the same component of the income statement or reserve as the transaction or other event that resulted in the tax expense.

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

* 1. **Inventories (Stock)**

Inventories (Stock) initially measured at cost and subsequently at lower of cost and net realisable value (estimated selling price less costs to complete the sale) on a first-in-first out (FIFO) basis.

At the end of the reporting period, the write down to net realisable is recognised as reduction in the carrying amount of the inventory (stock).

* 1. **Trade receivables (Debtors)**

Trade receivables (Debtors) are initially measured at transaction price and subsequently at amortised cost using the effective interest rated method. Trade receivables (Debtors) are classified as current assets and are measured at the undiscounted amount of the cash expected to be received.

At the end of the reporting period the carrying amount of trade receivables (debtors) is reviewed to determine whether there is objective evidence that the amount is recoverable. If there is objective evidence that the recoverable amount is lower than the carrying amount, the carrying amount of the trade receivable (debtor), a provision for bad debts is recognised immediately in profit or loss.

* 1. **Indivisible reserve**

Indivisible reserve is a reserve fund and is not divisible amongst the members of the Co-operative.

Indivisible reserves of the Co-operative equal ..…… percent of the surplus or net asset value and is in accordance with the Co-operative’s Constitution.

* 1. **Mortgage loans and bank loans**

Mortgage loans and bank loans are initially measured at transaction price and subsequently at amortised cost using the effective interest rate method. The interest is recognised in profit or loss as an interest expense. Mortgage loans and bank loans that are to be due settled 12 months after the end of the reporting period are classified as non-current assets.

* 1. **Trade payables (creditors)**

Trade payables (Creditors) are initially measured at transaction price and subsequently at amortised cost using the effective interest rate method. Trade payables (Creditors) are classified as current assets and are measured at the undiscounted amount of the cash expected to be received.

* 1. **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 profit or loss in the period which the service is rendered and are not discounted.

* 1. **Provisions**

Provisions are recognised when:

* + the Co-operative has an obligation at the reporting date as a result of a past event;
  + it is probable that the Co-operative will be required to transfer economic benefits in settlement; and
  + the amount of the obligation can be estimated reliably.

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Accounting Policies**

* 1. **Provisions (continued)**

Provisions are measured at the best estimate of the amount expected to be required to settle the obligation at the reporting date.

When the effect of the time value of money is material, the amount of a provision is the present value of the amount expected to be required to settle the obligation.

* 1. **Sales**

Sales of goods are recognised when the risks and rewards have been transferred from the seller to the purchaser and measured at the fair value of the consideration received, net of trade discounts, prompt settlement discounts, volume rebates and VAT.

1.12 **Other Income**

Donations and grants are accounted for when they are received. When there are attaching conditions, donations and grants are accounted for when there is a reasonable expectation that the donation or grant will be received and the conditions will be complied with.

Dividends received are recognised when they are received.

Income from services rendered for when services are rendered.

Other income is recognised on receipt/accrued.

1.13 **Operating Expenses**

Expenses are recognised when they are paid/incurred.

* 1. **Interest income**

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

1.15 **Interest expense**

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

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Property, Plant and Equipment**

***Carried at cost (This note should be provided for each item of Property, Plant and Equipment)***

20x2 20x1

Cost xxx xxx

Accumulated Depreciation xxx xxx

Accumulated impairment xxx xxx

**Carrying amount** **xxx xxx**

20x2 20x1

Carry amount at the beginning of the year xxx xxx

Purchase of Property, Plant and Equipment xxx xxx

Disposals of Property, Plant and Equipment xxx xxx

Depreciation xxx xxx

Impairment xxx xxx

**Carrying amount at the end of the year** **xxx** **xxx**

Property, Plant and Equipment is pledge as security for …………………………………of Rxxx…………...(If applicable)

***Carried at revalued amount (This note should be provided for each item of Property, Plant and Equipment)***

20x2 20x1

Cost xxx xxx

Accumulated Depreciation xxx xxx

Accumulated impairment xxx xxx

Revaluation xxx xxx

**Carrying amount** **xxx xxx**

***Carried at revalued amount (continued)***

20x2 20x1

Carrying amount at the beginning of the year xxx xxx

Purchase of Property, Plant and Equipment xxx xxx

Disposals of Property, Plant and Equipment xxx xxx

Revaluation xxx xxx

Depreciation xxx xxx

Impairment xxx xxx

**Carrying amount at the end of the year xxx xxx**

Property, Plant and Equipment is pledge as security for …………………………………of Rxxx…………...(If applicable)

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
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Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Intangible Assets*(This note should be provided for each item of Intangible Assets)***

20x2 20x1

Cost xxx xxx

Accumulated Depreciation xxx xxx

Accumulated impairment xxx xxx

**Carrying amount** **xxx xxx**

20x2 20x1

Carry amount at the beginning of the year xxx xxx

Purchase of Intangible Assets xxx xxx

Disposals of Intangible Assets xxx xxx

Depreciation xxx xxx

Impairment xxx xxx

**Carrying amount at the end of the year** **xxx** **xxx**

1. **Investments**

***Carried at cost***

20x2 20x1

Investment in shares: Listed xxx xxx

Unlisted xxx xxx

Fixed Deposits xxx xxx

RSA Retail Bonds xxx xxx

**xxx xxx**

20x2 20x1

Carry amount at the beginning of the year xxx xxx

Purchase of Investments xxx xxx

Disposals of Investments xxx xxx

**Carrying amount at the end of the year** **xxx** **xxx**

Investments are pledge as security for ………………………………………of Rxxx……...(If applicable)

***Carried at fair value***

20x2 20x1

Investment in shares: Listed xxx xxx

Unlisted xxx xxx

Fixed Deposits xxx xxx

RSA Retail Bonds xxx xxx

**xxx xxx**

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
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Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Investments (continued)**

***Carried at fair value***

20x2 20x1

Carry amount at the beginning of the year xxx xxx

Purchase of Investments xxx xxx

Disposals of Investments xxx xxx

Fair value adjustment (if applicable) xxx xxx

**Carrying amount at the end of the year** **xxx** **xxx**

Investments are pledged as security for ………………………………of Rxxx……………...(If applicable)

1. **Loans to members**

20x2

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

**20x1**

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

1. **Deferred tax**

**20x2 20x1**

**Deferred tax liability**

Property, plant and equipment xxx xxx

Other (specify) xxx xxx

**Total deferred tax liability xxx xxx**

**Deferred tax asset**

Impairment of trade receivables xxx xxx

Tax losses xxx xxx

Other (specify) xxx xxx

**Total deferred tax asset xxx xxx**

Thedeferredtaxassetsandthedeferredtaxliabilityrelatetoincometaxinthesamejurisdiction,andthelawallowsnet settlement. Therefore, they have been offset in the statement of financial position (balance sheet) as follows:

Deferred tax liability xxx xxx

Deferred tax asset xxx xxx

**Net deferred tax liability and deferred tax asset xxx xxx**

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

**Reconciliation of deferred tax asset (liability)**

Opening balance xxx xxx

Increase/decrease in tax losses available for set off against future

taxable income xxx xxx

Temporary differences relating to property, plant and equipment xxx xxx

Temporary difference on valuation of property, plant and equipment xxx xxx

Temporary difference relating to impairment of trade receivables xxx xxx

Other (specify) xxx xxx

**Closing balance xxx xxx**

1. **Inventories (Stock)**

20x2 20x1

Raw materials xxx xxx

Work in Progress xxx xxx

Finished Goods xxx xxx

**xxx xxx**

Inventory was pledged as security for ………………………….of Rxxx (if applicable).

1. **Trade receivables (Debtors)**

20x2 20x1

Trade receivables (Debtors) – Gross xxx xxx

Less: Provisions for bad debts xxx xxx

**xxx xxx**

1. **Staff loans**

20x2 20x1

Staff member name xxx xxx

Staff member name xxx xxx

**xxx xxx**

The staff loans are secured by ……………….(state asset)……………with a carrying amount/fair value of ……….R………..at 31 December 20x2 (R………..31 December 20x1). The interest rate on the staff loans are …….% and repayable ……(state terms of payment here)………..

1. **Cash and cash equivalents**

**Cash and cash equivalents comprise:**

20x2 20x1

Cash on hand (Petty Cash) xxx xxx

Bank balances xxx xxx

Bank overdraft xxx xxx

**xxx xxx**

1. **Member shares**

20x2 20x1

Opening balance xxx xxx

Increase (decrease) in member shares during the year xxx xxx

**Closing balance xxx xxx**

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Member shares (continued)**

**Reconciliation**

**20x2**

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

**20x1**

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

1. **Indivisible reserves**

20x2 20x1

Opening balance xxx xxx

Transfers during the year xxx xxx

**Closing balance** **xxx xxx**

**13. Mortgage loan**

20x2 20x1

Opening balance xxx xxx

Cash received during the year xxx xxx

Payments (xxx) (xxx)

**Closing balance** **xxx xxx**

The mortgage loan is secured by ……………….(state asset)……………with a carrying amount/fair value of ……….R………..at 31 December 20x2 (R………..31 December 20x1). The interest rate on the mortgage loan is …….% and repayable ……(state terms of payment here)………..

1. **Bank loan**

20x2 20x1

Opening balance xxx xxx

Cash received during the year xxx xxx

Payments (xxx) (xxx)

Closing balance **xxx xxx**

The bank loan is secured by ……………….(state asset)……………with a carrying amount/fair value of ……….R………..at 31 December 20x2 (R………..31 December 20x1). The interest rate on the bank loan is …….% and repayable ……(state terms of payment here)………..

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
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Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Loans from members**

**20x2**

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

**20x1**

**Member Member Member**

**Name Name Name**

Opening balance xxx xxx xxx

Increase (decrease) in member shares during the year xxx xxx xxx

**Closing balance xxx xxx xxx**

The loans from members are secured by ……………….(state asset)……………with a carrying amount/fair value of ……….R………..at 31 December 20x2 (R………..31 December 20x1). The interest rate on the loans from members is …….% and repayable ……(state terms of payment here)………..

1. **Trade payables (Creditors)**

20x2 20x1

Trade payables (Creditors) xxx xxx

1. **Accrued expenses**

20x2 20x1

Opening balance xxx xxx

Expenditure incurred during the year xxx xxx

Payments during the year xxx xxx

**Closing balance xxx xxx**

1. **Income received in advance**

20x2 20x1

Opening balance xxx xxx

Income recognised during the year xxx xxx

Income received in advance during the year xxx xxx

**Closing balance xxx xxx**

1. **Provisions**

20x2 20x1

Opening balance xxx xxx

Additions xxx xxx

Utilised during the year xxx xxx

Reversed during the year xxx xxx

**Closing balance xxx xxx**

1. **Cost of Sales**

20x2 20x1

Cost of goods sold xxx xxx

Write down of inventories to net realisable value xxx xxx

**xxx xxx**

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Other income**

20x2 20x1

Dividends received xxx xxx

Rental income xxx xxx

Donations xxx xxx

Grants xxx xxx

Profit on sale of Property, Plant and Equipment xxx xxx

Profit on sale of Intangible Assets xxx xxx

Profit on sale of Investments xxx xxx

**xxx xxx**

1. **Operating expenses**

20x220x1

Rental expense xxx xxx

Employee Benefits xxx xxx

Members’ fees for services rendered xxx xxx

Water and Electricity xxx xxx

Telephone xxx xxx

Printing and Stationery xxx xxx

Fines/Penalties xxx xxx

Depreciation – Property, Plant and Equipment xxx xxx

Amortisation – Intangible Assets xxx xxx

Impairment – Property, Plant and Equipment xxx xxx

Impairment – Intangible Assets xxx xxx

Provisions – Utilised during the year xxx xxx

Loss from sale of Property, Plant and Equipment xxx xxx

Loss from sale of Intangible Assets xxx xxx

Loss from sale of investments xxx xxx

Repairs and maintenance xxx xxx

Advertising xxx xxx

Bad debts xxx xxx

Bank Charges xxx xxx

Computer expenses xxx xxx

Entertainment xxx xxx

Insurance xxx xxx

Legal expenses xxx xxx

Petrol xxx xxx

Motor vehicle expenses xxx xxx

Licence fees xxx xxx

Security xxx xxx

Subscriptions xxx xxx

Training xxx xxx

Travel xxx xxx

Schedule 1 – Tariffs

Registration fees xxx xxx

Registration of special resolution to amend the Constitution xxx xxx

Inspection fees xxx xxx

Copy of document xxx xxx

Conversion from company to co-operative/from co-operative to another xxx xxx

Application fees to amalgate two co-operatives xxx xxx

Application fees to transfer assets, liabilities, rights, liabilities and

obligations to another co-operative xxx xxx

Lodgement fees xxx xxx

Checking of documents or drafts of documents xxx xxx

Application for the reservation of a name, translated form or shortened

form of name xxx xxx

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

1. **Operating expenses**

**20x2 20x1**

Annual fees xxx xxx

Other (specify) xxx xxx

**xxx xxx**

1. **Fair value adjustments/revaluation**

20x2 20x1

Investments: fair value xxx xxx

Property, plant and equipment: revaluation xxx xxx

1. **Interest income**

20x2 20x1

Bank xxx xxx

Loans to members xxx xxx

Fixed Deposit xxx xxx

RSA retail bonds xxx xxx

Other (specify) xxx xxx

**xxx xxx**

1. **Interest expense**

20x2 20x1

Mortgage loan xxx xxx

Bank overdraft xxx xxx

Bank loan xxx xxx

Loans from members xxx xxx

Other (specify) xxx xxx

**xxx xxx**

1. **Taxation**

20x2 20x1

**Current tax**

Local income tax – current period xxx xxx

**Deferred tax**

Temporary differences on property, plant and equipment xxx xxx

Temporary differences on investments xxx xxx

Temporary differences on provisions xxx xxx

Temporary differences on income received in advance xxx xxx

Temporary differences on accrued expenses xxx xxx

Temporary difference - Other (specify) xxx xxx

**xxx xxx**

1. **Cash generated from (used in) operations**

20x2 20x1

Profit/Loss before taxation xxx xxx

Adjustments for:

Depreciation – Property, Plant and Equipment xxx xxx

Amortisation – Intangible Assets xxx xxx

Impairment – Property, Plant and Equipment xxx xxx

Impairment – Intangible Assets xxx xxx

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

**Cash generated (used in) operations (continued)**

20x2 20x1

Provisions – Utilised during the year xxx xxx

Loss from sale of Property, Plant and Equipment xxx xxx

Loss from sale of Intangible Assets xxx xxx

Loss from sale of investments xxx xxx

Profit on sale of Property, Plant and Equipment xxx xxx

Profit on sale of Intangible Assets xxx xxx

Profit on sale of investments xxx xxx

Interest income xxx xxx

Interest expense xxx xxx

Fair value adjustments/revaluation xxx xxx

**Changes in working capital**

Inventories (Stock) xxx xxx

Trade receivables (debtors) xxx xxx

Prepayments xxx xxx

Trade payables (creditors) xxx xxx

Income received in advance xxx xxx

Accrued expenses xxx xxx

**xxx xxx**

1. **Tax paid**

20x2 20x1

Opening balance xxx xxx

Current tax expense xxx xxx

**Closing balance xxx xxx**

1. **Contingent liabilities**

[Describe]

1. **Related party transactions**

Loans to members Refer to note 31

Loans from members Refer to note 31

All loans from members are unsecured/secured, interest free and have no fixed terms of payment.

No guarantees/guarantees have been provided for these loans.

1. **Transactions with members**

20x2

**Salary Bonus Loan Loan Total**

**Advances Repayments**

Member name xxx xxx xxx xxx xxx

Member name xxx xxx xxx xxx xxx

Member name xxx xxx xxx xxx xxx

**xxx xxx xxx xxx xxx**

**Name of Co-operative:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |  |
| --- | --- |
| (Registration number … ) |  |

Financial Statements for the year ended 31 December 20x2

**Notes to the financial statements**

**33. Transactions with members**

20x1

**Salary Bonus Loan Loan Total**

**Advances Repayments**

Member name xxx xxx xxx xxx xxx

Member name xxx xxx xxx xxx xxx

Member name xxx xxx xxx xxx xxx

**xxx xxx xxx xxx xxx**