Van Riebeeckshof Master Home Owners Association

Annual Financial Statements
for the year ended 29 February 2024

Van Riebeeckshof Master Home Owners Association

Annual Financial Statements for the year ended 29 February 2024

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Trustees' Responsibilities and Approval

The trustees are required 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 home owners' association 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 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 judgments and estimates.

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

The trustees 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 trustees have reviewed the home owners' association's cash flow forecast for the year to 28 February 2025 and, in the light of this review and the current financial position, they are satisfied that the home owners' association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the home owners' association's annual financial statements. The annual financial statements have been examined by the home owners' association's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 3 to 13, which have been prepared on the going concern basis, were approved by the board of trustees on 18 March 2024 and were signed on its behalf by:

Approval of annual financial statements

Trustee	Trustee
Trustee	Trustee

Durbanville

Monday, 18 March 2024

Trustees' Report

The trustees have pleasure in submitting their report on the annual financial statements of Van Riebeeckshof Master Home Owners Association for the year ended 29 February 2024.

1. Nature of business

The home owners' association is engaged in governing the property and operates principally in South Africa.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. 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 home owners' association are set out in these annual financial statements.

3. Trustees

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

Trustees
E Scheepers - Chairperson
E Veldsman
G Riley
J Bester
M Jansen van Vuuren
N van Niekerk
T Crous
T van der Merwe

4. Managing Agent

The managing agent of the home owner's association during the year was Nolands Tyg Incorporated.

5. Events after the reporting period

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

6. Going concern

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

7. Auditors

IJ Smith & Co Inc continued in office as auditors for the home owners' association for 2024.

They will continue in office for the 2025 financial year.

8. CSOS compliance

CSOS Levies	2024 R	2023 R
Balance brought forward	179	238
CSOS levies received	901	831
CSOS levies paid	(889)	(890)
	191	**179**

Independent Auditor's Report

CHARTERED ACCOUNTANTS

To the Trustees of Van Riebeeckshof Master Home Owners Association

Opinion

We have audited the annual financial statements of Van Riebeeckshof Master Home Owners Association (the trust) set out on pages 6 to 13, which comprise the statement of financial position as at 29 February 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Van Riebeeckshof Master Home Owners Association as at 29 February 2024, 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 constitution.

Basis for Opinion

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

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Van Riebeeckshof Master Home Owners Association annual financial statements for the year ended 29 February 2024", which includes the Trustees' Report as required by the and the supplementary information as set out on page 14, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the annual financial statements and our auditor's report thereon.

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

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

Responsibilities of the Trustees for the Annual Financial Statements

The trustees 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 , and for such internal control as the trustees 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

CHARTERED
ACCOUNTANTS

Independent Auditor's Report

Auditor's responsibilities for the audit of the Annual Financial Statements

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

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

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

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

IJ Smith & Co Inc
Registered Auditor

Per: IJ Smith CA (SA) RA

18 March 2024
Durbanville

I J Smith & Co. Incorporated. Reg. No: 2002/018396/21 Practice No: 963 194
29A De Villiers Drive, Durbanville 7551. P.O. Box 593, Durbanville, 7551. Tel: 021 970 5000. Fax: 021 975 0586
E-mail: info@ijs.co.za. Website: www.ijs.co.za

Director: Izak J Smith CA (SA)

Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Current Assets			
Trade and other receivables	2	218 213	76 289
Cash and cash equivalents	3	712 223	754 763
		930 436	**831 052**
Total Assets		**930 436**	**831 052**
Equity and Liabilities			
Equity			
Accumulated surplus		529 369	416 091
Liabilities			
Current Liabilities			
Trade and other payables	4	398 034	414 961
Current tax payable		3 033	-
		401 067	**414 961**
Total Equity and Liabilities		**930 436**	**831 052**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Revenue	5	1 577 639	1 407 108
Other income		61 323	38 899
Operating expenses		(1 522 651)	(1 278 327)
Operating surplus		**116 311**	**167 680**
Surplus before taxation		**116 311**	**167 680**
Taxation	8	(3 033)	-
Surplus for the year		**113 278**	**167 680**
Other comprehensive income		-	-
Total comprehensive income for the year		**113 278**	**167 680**

Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 March 2022	**248 411**	**248 411**
Surplus for the year	167 680	167 680
Other comprehensive income	-	-
Total comprehensive income for the year	**167 680**	**167 680**
Balance at 01 March 2023	**416 091**	**416 091**
Surplus for the year	113 278	113 278
Other comprehensive income	-	-
Total comprehensive income for the year	**113 278**	**113 278**
Balance at 29 February 2024	**529 369**	**529 369**

Statement of Cash Flows

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Cash receipts from customers		1 497 038	1 394 806
Cash paid to suppliers and employees		(1 539 578)	(1 146 280)
Cash (used in) generated from operations	9	(42 540)	248 526
Net cash from operating activities		**(42 540)**	**248 526**
Total cash movement for the year		**(42 540)**	**248 526**
Cash and cash equivalents at the beginning of the year		754 763	506 237
Total cash at end of the year	3	**712 223**	**754 763**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 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 surplus or deficit) 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. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

1.2 Tax

Current tax assets and liabilities

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.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

The levies receivable are accrued for on a straight-line basis over the financial year and decided amongst the owners. The annual levies are agreed and approved by the owners at the home owner's association annual general meeting.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Notes to the Annual Financial Statements

Figures in Rand	2024	2023

2. Trade and other receivables

Levies receivable	214 452	72 949
Accrued income	3 761	3 340
	218 213	**76 289**

The levies receivable age analysis is available at the registered office.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	712 223	754 763

4. Trade and other payables

Trade payables	5 299	14 405
Building deposits received	145 000	180 000
Ombud service levy payable	191	179
Levies received in advance	247 544	220 377
	398 034	**414 961**

Trade payables	Current	30 days	60 days	90 + days	Total
Trade payables	5 299	-	-	-	5 299
Building deposits received	-	10 000	-	135 000	145 000
Ombud service levy payable	75	75	41	-	191
Levies received in advance	234 036	135	270	13 103	247 544
	239 410	**10 210**	**311**	**148 103**	**398 034**

5. Revenue

Ordinary levies	1 446 738	1 361 277
Building penalty levies	130 000	45 000
CSOS levies	901	831
	1 577 639	**1 407 108**

6. Auditor's remuneration

Fees	9 994	9 085

Notes to the Annual Financial Statements

Figures in Rand	2024	2023

7. Insurance

Fidelity and Computer crime:
Insurer: Compass Insurance Company Limited
Policy number: CIA 115-858
Anniversary date: 01/08/2024
Premiums paid for the year: R2,979
Sum insured: R1,300,000

Building insurance:
Insurer: Compass Insurance Company Limited
Policy number: CIA 115-858
Anniversary date: 01/08/2024
Premiums paid for the year: R8,126
Sum insured: R4,370,235

Public Liability Insurance
Insurer: Compass Insurance Company Limited
Policy number: CIA 115-858
Anniversary date: 01/08/2024
Premiums paid for the year: R958
Sum insured: R100,000,000

8. Taxation

Major components of the tax expense

Current taxation		
South African normal tax - current year	3 033	-

9. Cash (used in) generated from operations

Net surplus before taxation	116 311	167 680
Changes in working capital:		
(Increase) decrease in trade and other receivables	(141 924)	(51 201)
Increase (decrease) in trade and other payables	(16 927)	132 047
	(42 540)	**248 526**

Notes to the Annual Financial Statements

Figures in Rand	2024	2023

10. Related parties

Relationships

Owners of the Home Owners Association	All unit holders
Trustees	E Scheepers - Chairperson
	E Veldsman
	G Riley
	J Bester
	M Jansen van Vuuren
	N van Niekerk
	T Crous
	T van der Merwe

Related party balances and transactions with other related parties

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties		
Refer to note 2	214 452	72 949
Refer to note 4	(247 544)	(220 377)

Related party transactions

Levies received from related parties		
Refer to note 5	1 577 639	1 407 108

Detailed Income Statement

Figures in Rand	Note(s)	2024	2023
Revenue			
Ordinary levies		1 446 738	1 361 277
Building penalty levies		130 000	45 000
CSOS levies		901	831
	5	**1 577 639**	**1 407 108**
Other income			
Interest received		61 323	38 899
Operating expenses			
AGM expenses		6 538	8 078
Accounting fees		4 428	4 255
Advertising and website management		1 162	1 520
Auditors remuneration	6	9 994	9 085
Bank charges		2 858	3 012
CSOS levies		901	831
Camera monitoring		23 913	8 000
Contribution - Van Riebeeckshof Wetlands Association		10 000	10 000
Discount allowed		36 558	34 208
Electricity		13 677	10 028
General expenses		7 787	7 543
Insurance	7	12 063	9 632
Maintenance - common areas/electric fence		189 858	178 087
Management fees - F. van Rensburg		59 757	52 108
Management fees - Managing Agent		168 584	160 400
Projects - Electric fence		231 604	-
Projects - LPR cameras		6 210	7 078
Projects - Pathways/public open spaces		2 653	59 999
Projects - Welcome sign		-	21 436
Security		560 730	536 507
Van Riebeeckshof Valley NPC		173 376	156 520
		1 522 651	**1 278 327**
Surplus before taxation		**116 311**	**167 680**
Taxation	8	(3 033)	-
Surplus for the year		**113 278**	**167 680**

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