

**THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC**

Registration number : 1995/000684/08

**AUDITED FINANCIAL STATEMENTS**

for the year ended

**29 FEBRUARY 2024**

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**GENERAL INFORMATION**

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<b>Country of Incorporation</b>	:	South Africa
<b>Nature of business and principal activities</b>	:	Home Owners Association
<b>Directors</b>	:	Willem Krige Edrich Jansen Willie Miller Johan Willemse Genevieve Marks Petru van Zyl Stephan Barac
<b>Registered office</b>	:	279 Sidney Avenue Waterkloof 0181
<b>Business address</b>	:	279 Sidney Avenue Waterkloof 0181
<b>Postal address</b>	:	279 Sidney Avenue Waterkloof 0181
<b>Banker</b>	:	ABSA bank
<b>Auditor</b>	:	Geyser & du Plessis
<b>Secretary</b>	:	None
<b>Company registration number</b>	:	1995/000684/08

# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## FINANCIAL STATEMENTS

for the year ended

29 FEBRUARY 2024

INDEX	PAGE
Report of the independent auditor to the members	3 - 5
Statement of directors' responsibilities and approval	6
Report of the directors to the members	7 - 8
Statement of financial position	9
Statement of surplus or deficit and other comprehensive income	10
Statement of changes in equity	11
Statement of cash flows	12
Accounting policies	13 - 16
Notes to the annual financial statements	17 - 21

*The following supplementary schedules do not form part of the financial statements and are unaudited:*

Schedule A - Detailed Statement of comprehensive income	22
Schedule B - Taxation computation	23

### LEVEL OF ASSURANCE:

These financial statements have been compiled in compliance with the applicable requirements of the Companies Act 71 of 2008.



PREPARER: S EKSTEEN CA(SA)

Date of publication: 10 July 2024,

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC , which comprise the statement of financial position as at 29 FEBRUARY 2024, and the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the company as at 29 FEBRUARY 2024 and of its financial performance and its cashflows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008.

### Basis for our 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 Financial Statements section of our report. We are independent of the company 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. 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The directors are responsible for the other information. The other information comprises the Director's Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Partners: JC Greyling - CA(SA) RA | J Lelding - CA(SA) RA | FC Vorster - CA(SA) RA  
 Audit Manager: S Eksteen - CA(SA) | J Pretorius - CA(SA) | J Kotze - CA(SA)  
 Consultant: R Lelding - AGA (SA)  
 Professional Accountant (SA): L Lambert - BCom (Hons) Acc: Taxation | L Bartsch - BCom in Taxation

GDP Auditors Incorporated t/a Geysers & du Plessis | Reg no: 2023/620318/21 | VAT Reg No: 4900316516 | Practice No: 902136A

## **Responsibilities of the directors for the Financial Statements**

The directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the Financial Statements**

Our 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 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 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:

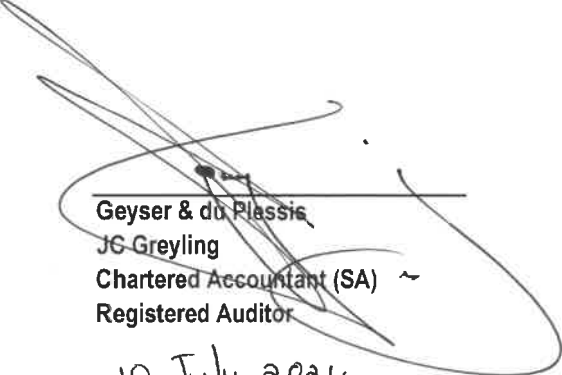
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 
- Conclude on the appropriateness of the directors' 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 company'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 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 company 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.

**Auditor's responsibilities for the audit of the Financial Statements - continued**

We communicate with the directors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, We determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Geyser & du Plessis  
JG Greyling  
Chartered Accountant (SA) ~  
Registered Auditor

10 July 2024

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended

29 FEBRUARY 2024

The directors are required by the Companies Act of South Africa, 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Statements for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

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

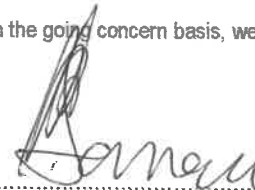
The directors are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company'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 company has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 7 to 21, which have been prepared on the going concern basis, were approved by the Board on 10 July 2024 and were signed on its behalf by:



.....  
DIRECTOR



.....  
DIRECTOR

# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## REPORT OF THE DIRECTORS TO THE MEMBERS

for the year ended

**29 FEBRUARY 2024**

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We have pleasure in submitting our report for the year ended 29 FEBRUARY 2024.

### 1. General review

To review the business and operations of your company for the above accounting period generally, we draw attention to the attached statements set out on pages 9 to 21, where the business of the company, the results and state of affairs are clearly reflected.

### 2. Material facts or circumstances

The directors wish to bring the following material matters under the homeowners' attention:

- During the year, it was discovered that rental invoices dating as far back as 2017 were not received and paid to the City of Tshwane regularly. During the year, the accumulated arrears were settled. Please refer to note 11.
- There was a security breach that occurred on 10 July 2023. An independent security expert identified security risks. The board has decided to implement the majority of the measures formally recommended to mitigate these security risks. These unforeseen extraordinary costs have been funded from the reserve fund. Please refer to the detailed statement of comprehensive income

No material fact or circumstances have occurred between the accounting date and the date of this report.

### 3. Business and operations

The main business of the company is the day to day running of The Waterkloof Village Home Owners Association.

The nature of the business of the Association is to promote, advance and protect the communal interests of the members of the Association and maintaining community services, amenities and activities for the members of the Association.

### 4. Changes in nature and use of property, plant and equipment

There was no changes in the nature and use of property, plant and equipment (2023 - None).

The assets of the company was not subject to any impairments during the period under review (2023 - none).

### 5. Dividends

In accordance with the Memorandum of Incorporation, the company is not permitted to declare dividends.



# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## REPORT OF THE DIRECTORS TO THE MEMBERS

for the year ended

**29 FEBRUARY 2024**

### 6. Going concern assumption

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The 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.

### 7. Secretary

The company had no secretary during the year.

### 8. Directors

The directors of the company during the accounting period up to the date of this report were as follows:

	<b>Appointed:</b>	<b>Resigned:</b>
Willem A Krige	2016/03/03	
Hendrik L Jansen	2022/01/19	
William H Miller	2022/01/19	
Pieter J Willemse	2023/08/31	
Stephan F Barac	2023/08/31	
Petronella van Zyl	2023/08/31	
Genevieve Marks	2023/08/31	
André Roberts	2017/08/17	2023/08/31
Gerrit S Worst	2006/02/28	2023/08/31
Bernette Bergenthuin	2021/03/01	2023/08/31

### 9. Auditors

Geyser & du Plessis was appointed in office during the year.

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### STATEMENT OF FINANCIAL POSITION

as at

**29 FEBRUARY 2024**

	Notes	2024 R	2023 R
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS</b>			
Property and Equipment	1	10	10
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	1 947 671	2 168 051
Accounts receivable and pre-paid expenses		1 825 907	2 161 012
Levies in arrears		79 488	-
		42 276	7 039
<b>TOTAL ASSETS</b>		<b>1 947 681</b>	<b>2 168 061</b>
 <b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
Reserves		1 406 499	1 460 120
<b>CURRENT LIABILITIES</b>			
Trade and other payables	3	541 182	707 941
South Africa Revenue Services		529 068	694 444
		12 114	13 497
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 947 681</b>	<b>2 168 061</b>

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

for the year ended

**29 FEBRUARY 2024**

	Notes	2024 R	2023 R
REVENUE	4	5 089 534	4 787 581
OTHER INCOME		121 440	55 675
LESS : EXPENSES		<u>(5 171 604)</u>	<u>(4 653 620)</u>
OPERATING (DEFICIT) / SURPLUS	5	39 370	189 636
INVESTMENT REVENUE	6	154 365	140 386
(DEFICIT) / SURPLUS BEFORE TAXATION		193 735	330 022
TAXATION	7	<u>(30 204)</u>	<u>(29 292)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>163 531</u></b>	<b><u>300 730</u></b>

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### STATEMENT OF CHANGES IN EQUITY

for the year ended

**29 FEBRUARY 2024**

	Operational reserves	Capital reserves	Total Non-distributable reserves R
<b>BALANCE AT 28 FEBRUARY 2022</b>	<b>1 660 233</b>	<b>568 198</b>	<b>2 228 431</b>
<b>PRIOR PERIOD ERROR (REFER NOTE 11)</b>	(254 981)	-	(254 981)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
- SURPLUS FOR THE YEAR	300 730	(814 060)	(513 330)
<b>TRANSFER OF RESERVES</b>	(245 862)	245 862	-
<b>BALANCE AT 28 FEBRUARY 2023</b>	<b>1 460 120</b>	-	<b>1 460 120</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			
- (DEFICIT) / SURPLUS FOR THE YEAR	163 531	(217 152)	(53 621)
<b>TRANSFER OF RESERVES</b>	(217 152)	217 152	
<b>BALANCE AT 29 FEBRUARY 2024</b>	<b>1 406 499</b>	-	<b>1 406 499</b>

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### STATEMENT OF CASH FLOWS

for the year ended

**29 FEBRUARY 2024**

	Notes	2024 R	2023 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		(335 105)	(303 562)
Cash receipts from members		5 096 249	4 843 256
Cash payments to suppliers, employees		(5 554 132)	(5 255 117)
Cash generated from operations	8	(457 883)	(411 861)
Interest received		154 365	140 386
Taxation paid		(31 587)	(32 087)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		-	(14 250)
Purchase of property plant and equipment			
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		(335 105)	(317 812)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		2 161 012	2 478 824
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	2	<b>1 825 907</b>	<b>2 161 012</b>

# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## ACCOUNTING POLICIES

for the year ended

29 FEBRUARY 2024

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### 1. Presentation of financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the Companies Act of South Africa. 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 year.

### 2. Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or to administrative purposes;
- and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost 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 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.

The cost of land together with any improvements of a fixed nature are recognised as an expense in the statement of comprehensive income.

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, which are as follows:

Depreciation is provided 100% during the year of purchase.

The residual value, depreciation method and the useful life of each asset are reviewed at each annual reporting period and if there are indicators present that there is a change from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated separately over its useful life.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss and is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item at the date of derecognition.

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### ACCOUNTING POLICIES - CONTINUED

for the year ended

**29 FEBRUARY 2024**

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#### **3. Financial instruments**

##### ***Initial measurement***

Financial instruments are initially measured at the transaction price (including transaction cost except in the initial measurement of financial assets and liabilities that are measured at fair value through profit and 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. These debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest rate 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 amount 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 through profit or loss.

##### ***Financial instruments at cost***

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

##### ***Financial instrument at fair value***

All other financial instruments are measured at fair value through profit and loss.

#### **4. Impairment of assets**

The company assesses at each statement of financial position date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## ACCOUNTING POLICIES - CONTINUED

· for the year ended

**29 FEBRUARY 2024**

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#### 4. Impairment of assets - continue

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

#### 5. Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### 6. 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.

Current tax liabilities / (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

##### ***Tax expenses***

Current and deferred tax are recognised as income or an expense are included in profit or loss for the period, except to the extent that the tax arises from, a transaction or event which is recognised, in the same or a different period, to other comprehensive income in the same or a different period, directly in equity, or in a business combination.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.



**THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC**

Registration number : 1995/000684/08

**ACCOUNTING POLICIES - CONTINUED**

for the year ended

**29 FEBRUARY 2024**

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**7. Provisions and contingencies**

A provision is a liability of uncertain timing or amount.

Provisions are recognised when :

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

The amount of a provision is discounted using a pre-tax discount rate when the effect of the expected future cash outflow related to the provision is not expected to occur soon after the financial position date and the effect of discounting is material. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligation.

Provisions are not recognised for future operating losses.

**8. Revenue**

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business, net of trade discount and value-added tax.

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

**THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC**

Registration number : 1995/000684/08

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

for the year ended

**29 FEBRUARY 2024**

	Common Property R	Furniture and equipment R	Computer Equipment R	Security Equipment R	Total R
<b>1. Property and Equipment - 2024</b>					
Carrying value - beginning of year	6	2	1	1	10
- At cost	6	88 622	5 439	1 794 747	1 888 814
- Accumulated depreciation	-	(88 620)	(5 438)	(1 794 746)	(1 888 804)
Additions through the year	-	-	-	-	-
Depreciation through the year	-	-	-	-	-
Carrying value - end of year	6	2	1	1	10
- At cost	6	88 622	5 439	1 794 747	1 888 814
- Accumulated depreciation	-	(88 620)	(5 438)	(1 794 746)	(1 888 804)

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

**29 FEBRUARY 2024**

	Common Property R	Furniture and equipment R	Computer Equipment R	Security Equipment R	Total R
<b>Property and Equipment - 2023</b>					
Carrying value - beginning of year	6	1	1	1	9
- At cost	6	74 372	5 439	1 794 747	1 874 564
- Accumulated depreciation	-	(74 371)	(5 438)	(1 794 746)	(1 874 555)
Additions through the year		14 250			
Depreciation through the year	-	(14 249)	-	-	(14 249)
Carrying value - end of year	6	2	1	1	10
- At cost	6	88 622	5 439	1 794 747	1 888 814
- Accumulated depreciation	-	(88 620)	(5 438)	(1 794 746)	(1 888 804)

The common property consist of the following:

- Portion 58 of Erf 1278 in the Township of Waterkloof Extension 3, Province of Gauteng, in extent 10 278 m<sup>2</sup>, held under Title Deed No. T32005/1995
- Portion 13 of Erf 738 in the Township of Waterkloof Ridge, Province of Gauteng, in extent 962 m<sup>2</sup>, held under Title Deed No. T32005/1995
- Unit 3 in the Sectional Title Scheme SS Waterkloof Village, Scheme No. 243, in extent 258 m<sup>2</sup> held under Title Deed No. ST85430/1999
- Unit 2 in the Sectional Title Scheme SS Waterkloof Village, Scheme No. 243, in extent 70 m<sup>2</sup> held under Title Deed No. ST85430/1999
- Portion 12 (a portion of Portion 1) of Erf 738 in the Township of Waterkloof Ridge, Province of Gauteng, in extent 4 m<sup>2</sup>, held under Title Deed No. T73583/1998
- Portion 4 of Erf 1970 in the Township of Waterkloof Ridge, Province of Gauteng, in extent 142 m<sup>2</sup>, held by the under Title Deed No. T51258/2004

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

**29 FEBRUARY 2024**

	2024 R	2023 R
<b>2. <u>Cash and cash equivalents</u></b>		
Cash with managing agent	387 860	248 982
Other bank balances and investments	1 438 047	1 912 030
Petty cash	-	-
	<b>1 825 907</b>	<b>2 161 012</b>
<b>3. <u>Trade and other payables</u></b>		
Trade payables	188 864	434 716
Deposit received	-	12 000
Levies in advance	340 204	247 728
	<b>529 068</b>	<b>694 444</b>
<b>4. <u>Revenue</u></b>		
Revenue comprises levies received from home owners.		
<b>5. <u>Operating surplus</u></b>		
<i>Operating surplus is shown after taking the following items into</i>		
Auditors' remuneration	<b>25 288</b>	<b>16 531</b>
- Audit fees	25 288	16 531
- Other fees	-	-
	<b>25 288</b>	<b>16 531</b>
<b>6. <u>Investment revenue</u></b>		
Interest received	<b>154 365</b>	<b>140 386</b>

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

**29 FEBRUARY 2024**

	2024 R	2023 R
<b>7. <u>Taxation</u></b>		
S A Normal Tax :		
- Current year	<b>30 204</b>	<b>29 292</b>
<i>Reconciliation of taxation expense:</i>		
(Deficit) / Surplus before taxation	193 735	330 022
Tax @ 27 % (2023: 27%)	52 308	106 941
Exempt income	(1 417 952)	(1 315 914)
Non-deductible expenses	1 395 847	1 238 265
	<b>30 204</b>	<b>29 292</b>
<b>8. <u>Cash generated from operations</u></b>		
Surplus before taxation	193 735	330 022
Adjustments for:		
- Depreciation	-	14 249
- Investment revenue	(154 365)	(140 386)
- Capital Expenditure	(217 152)	(814 060)
	(177 782)	(610 175)
Changes in working capital		
- Trade and other receivables	(114 725)	-
- Trade and other payables	(165 376)	198 314
	<b>(457 883)</b>	<b>(411 861)</b>
<b>9. <u>Related party transactions</u></b>		

No disclosable related party transactions during the year were identified (2023 - none).

# THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

29 FEBRUARY 2024

	2024 R	2023 R
<b>10. <u>Risk management</u></b>		
<i>Liquidity risk</i>		
A company's risk to liquidity is a result of the funds available to cover future commitments. The directors regards this risk to be low, given the nature of the company.		
<i>Interest rate risk</i>		
Cash and cash equivalents and specifically fixed deposits are instruments exposed to possible interest rate risk. The directors manage these investments and its risk on a regular basis. This risk is therefore regarded as minimal.		
<i>Credit risk</i>		
Financial assets which potentially subject the company to concentrations of credit risk consist principally of cash deposits, cash equivalents and levies receivable. The company's bank and cash are placed with high credit quality financial institutions. Credit risk with respect to levies receivable is managed on a regular basis.		
<b>11. <u>Prior year error</u></b>		
There is a rental agreement in place with the City of Tshwane for 2 stands. During the current financial year, it was discovered that these rental payments was not paid for an extensive period due the fact that the Homeowners Association did not receive any rental invoices from the City of Tshwane during this period. All arrears were paid in full during the current year.		
The correction of the error results in adjustment as follows:		
Statement of Financial Position		
Opening Retained Earnings		254 981
Trade payables		(321 036)
Statement of surplus or deficit and other comprehensive income		
Rent - PCC and CoT		66 055

## SCHEDULE A

## THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

## DETAILED STATEMENT OF COMPREHENSIVE INCOME

for the year ended

29 FEBRUARY 2024

	2024 R	2023 R
<b>OPERATING INCOME</b>	<b>5 365 339</b>	<b>4 983 642</b>
<b>Operational levies received</b>	<b>5 089 534</b>	<b>4 787 581</b>
- General levies	5 032 200	4 718 081
- Additional levies	57 334	69 500
<b>Interest</b>	<b>154 365</b>	<b>140 386</b>
- Investments		
<b>Other income</b>	<b>121 440</b>	<b>55 675</b>
<b>LESS : OPERATING EXPENSES</b>	<b>5 171 604</b>	<b>4 653 620</b>
Security	1 408 567	1 461 441
RealGreen - Gardening services and wages	1 064 590	1 027 185
Repairs and maintenance	1 027 939	721 781
RealGreen - Estate management	626 480	576 530
Utilities , rates and taxes	287 820	156 272
Rent - PCC and CoT	206 948	189 947
RealGreen - Handymen wages	187 210	184 544
Membership Subscription - PCC	90 877	87 381
Insurance	56 640	42 151
Professional fees	53 372	61 903
Management fees	52 290	52 233
Meeting expenses	40 875	6 055
Accounting fees	30 000	25 918
Audit fees	25 288	16 531
Telephone	8 998	26 108
Bank charges	3 710	3 391
Depreciation	-	14 249
<b>OPERATIONAL (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>193 735</b>	<b>330 022</b>
<b>TAXATION</b>	<b>(30 204)</b>	<b>(29 292)</b>
<b>(DEFICIT)/SURPLUS BEFORE CAPITAL PROJECT SURPLUS</b>	<b>163 531</b>	<b>300 730</b>
<b>CAPITAL PROJECT</b>	<b>(217 152)</b>	<b>(814 060)</b>
Income	499 197	475 500
- Levies received		
Project expenses	(716 349)	(1 289 560)
- Extraordinary expenses		
<b>TOTAL COMPREHENSIVE (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>(53 621)</b>	<b>(513 330)</b>

## SCHEDULE B

**THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC**

Registration number : 1995/000684/08

**TAXATION COMPUTATION**

for the year ended

**29 FEBRUARY 2024**2024  
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Interest received		154 365
Agent accreditation fees		-
Other taxable income		9 300
	<b>A</b>	<u>163 665</u>
Total income	<b>B</b>	<u>5 365 339</u>
Deductible portion of expenses (A / B)	<b>C</b>	3.05%
Deductible Expenses	<b>D</b>	58 998
Bank charges		3 710
Accounting fees		30 000
Auditing fees		25 288
Portion of expenses (C x D)	<b>E</b>	<u>1 800</u>
Taxable income before exemption (A - E)		161 865
Section 10(1)(e) exemption		(50 000)
Taxable income		<u>111 865</u>
Taxation thereon @ 27%		30 204
Balance payable - previous years		-
Less first provisional payment		-
Less second provisional payment		-
<b>DUE TO THE SOUTH AFRICAN REVENUE SERVICE</b>		<u>30 204</u>