

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

AUDITED FINANCIAL STATEMENTS

for the year ended

28 FEBRUARY 2025

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

FINANCIAL STATEMENTS

for the year ended

28 FEBRUARY 2025

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

Schedule A - Detailed Statement of comprehensive income	22
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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: 27 May 2025

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 28 FEBRUARY 2025, 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 28 FEBRUARY 2025 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 Leiding - CA(SA) RA | F C Vorster - CA(SA) RA

Audit Managers: S Eksteen - CA(SA) | J Pretorius - CA(SA) | R Ismail AGA (SA)

Consultant: R Leiding - AGA (SA)

Professional Accountant (SA): L Lambert - BCom (Hons) Acc: Taxation | L Bartsch - BCom in Taxation

GDP Auditors Incorporated t/a Geyser & 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:

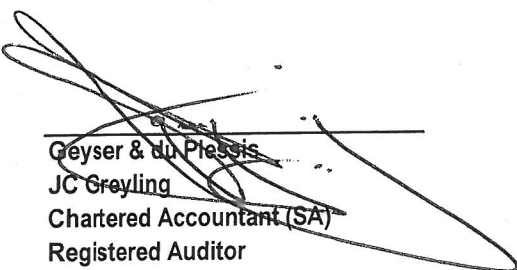
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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
JC Greyling
Chartered Accountant (SA)
Registered Auditor

27 Mei 2025

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended

28 FEBRUARY 2025

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.

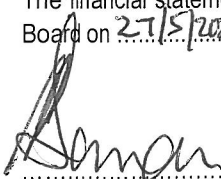
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal 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 27/5/2025 and were signed on its behalf by:


.....
DIRECTOR


.....
DIRECTOR

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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REPORT OF THE DIRECTORS TO THE MEMBERS

for the year ended

28 FEBRUARY 2025

We have pleasure in submitting our report for the year ended 28 FEBRUARY 2025.

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.

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 (2024 - None).

The assets of the company was not subject to any impairments during the period under review (2024 - 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

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REPORT OF THE DIRECTORS TO THE MEMBERS

for the year ended

28 FEBRUARY 2025

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:

	Appointed:	Resigned:
Willem Adolph Krige	2016/03/03	
William Hendrik Miller	2022/01/19	
Pieter Johannes Willemse	2023/08/31	
Stephan Frank Barac	2023/08/31	
Jean Gerrit Heymans	2024/08/19	
Petronella van Zyl	2023/08/31	2024/08/14
Genevieve Marks	2023/08/31	2024/08/14
Hendrik Lodewyk Jansen	2022/01/19	2024/09/02

9. Auditors

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

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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STATEMENT OF FINANCIAL POSITION

as at

28 FEBRUARY 2025

	Notes	2025 R	2024 R
ASSETS :			
NON-CURRENT ASSETS			
Property and Equipment	1	10	10
CURRENT ASSETS			
Cash and cash equivalents	2	2 683 390	1 947 671
Accounts receivable and pre-paid expenses		1 886 820	1 825 907
Levies in arrears		698 306	79 488
South Africa Revenue Services		87 657	42 276
		10 607	-
TOTAL ASSETS		2 683 400	1 947 681
EQUITY AND LIABILITIES :			
EQUITY			
Reserves		2 231 828	1 337 859
CURRENT LIABILITIES			
Trade and other payables	3	451 572	609 822
South Africa Revenue Services		451 572	597 708
		-	12 114
TOTAL EQUITY AND LIABILITIES		2 683 400	1 947 681

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

for the year ended

28 FEBRUARY 2025

	Notes	2025 R	2024 R
REVENUE	4	5 568 590	5 089 534
OTHER INCOME		458 390	121 440
LESS : EXPENSES		<u>(5 759 909)</u>	<u>(5 171 604)</u>
OPERATING (DEFICIT) / SURPLUS	5	267 071	39 370
INVESTMENT REVENUE	6	151 344	154 365
(DEFICIT) / SURPLUS BEFORE TAXATION		418 415	193 735
TAXATION	7	<u>(30 046)</u>	<u>(30 204)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>388 369</u></u>	<u><u>163 531</u></u>

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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STATEMENT OF CHANGES IN EQUITY

for the year ended

28 FEBRUARY 2025

	Operational reserves	Capital reserves	Total Non-distributable reserves R
BALANCE AT 28 FEBRUARY 2023	1 460 120	-	1 460 120
PRIOR YEAR ERROR	(68 640)	-	(68 640)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR - SURPLUS FOR THE YEAR	163 531	(217 152)	(53 621)
TRANSFER OF RESERVES	(217 152)	217 152	-
BALANCE AT 29 FEBRUARY 2024	1 337 859	-	1 337 859
TOTAL COMPREHENSIVE INCOME FOR THE YEAR - (DEFICIT) / SURPLUS FOR THE YEAR	388 369	505 600	893 969
TRANSFER OF RESERVES			
BALANCE AT 28 FEBRUARY 2025	1 726 228	505 600	2 231 828

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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STATEMENT OF CASH FLOWS

for the year ended

28 FEBRUARY 2025

	Notes	2025 R	2024 R
CASH FLOW FROM OPERATING ACTIVITIES		106 294	(335 105)
Cash receipts from members		5 397 555	5 096 249
Cash payments to suppliers, employees		(5 400 445)	(5 554 132)
Cash generated from operations	8	(2 890)	(457 883)
Interest received		151 344	154 365
Taxation paid		(42 160)	(31 587)
CASH FLOW FROM INVESTMENT ACTIVITIES		-	-
Purchase of property plant and equipment			
INCREASE IN CASH AND CASH EQUIVALENTS		106 294	(335 105)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1 825 907	2 161 012
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2	1 932 201	1 825 907

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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ACCOUNTING POLICIES

for the year ended

28 FEBRUARY 2025

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

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ACCOUNTING POLICIES - CONTINUED

for the year ended

28 FEBRUARY 2025

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

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ACCOUNTING POLICIES - CONTINUED

for the year ended

28 FEBRUARY 2025

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.

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ACCOUNTING POLICIES - CONTINUED

for the year ended

28 FEBRUARY 2025

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; and
- 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.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

28 FEBRUARY 2025

	Common Property R	Furniture and equipment R	Computer Equipment R	Security Equipment R	Total R
1. Property and Equipment - 2025					
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	-	7 373	-	-	7 373
Depreciation through the year	-	(7 373)	-	-	(7 373)
Carrying value - end of year	6	2	1	1	10
- At cost	6	95 995	5 439	1 794 747	1 896 187
- Accumulated depreciation	-	(95 993)	(5 438)	(1 794 746)	(1 896 177)

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

28 FEBRUARY 2025

	Common Property R	Furniture and equipment R	Computer Equipment R	Security Equipment R	Total R
Property and Equipment - 2024					
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 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 m², held under Title Deed No. T32005/1995
- Portion 13 of Erf 738 in the Township of Waterkloof Ridge, Province of Gauteng, in extent 962 m², held under Title Deed No. T32005/1995
- Unit 3 in the Sectional Title Scheme SS Waterkloof Village, Scheme No. 243, in extent 258 m² held under Title Deed No. ST85430/1999
- Unit 2 in the Sectional Title Scheme SS Waterkloof Village, Scheme No. 243, in extent 70 m² 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 m², held under Title Deed No. T73583/1998
- Portion 4 of Erf 1970 in the Township of Waterkloof Ridge, Province of Gauteng, in extent 142 m², held by the under Title Deed No. T51258/2004

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

28 FEBRUARY 2025

	2025 R	2024 R
2. <u>Cash and cash equivalents</u>		
Cash with managing agent	600 717	387 860
Other bank balances and investments	1 286 103	1 438 047
Petty cash	-	-
	1 886 820	1 825 907
3. <u>Trade and other payables</u>		
Trade payables	55 784	257 504
Deposit received	40 000	-
Levies in advance	355 788	340 204
	451 572	597 708
4. <u>Revenue</u>		
Revenue comprises levies received from home owners.		
5. <u>Operating surplus</u>		
<i>Operating surplus is shown after taking the following items into</i>		
Auditors' remuneration	31 016	25 288
- Audit fees	31 016	25 288
- Other fees	-	-
6. <u>Investment revenue</u>		
Interest received	151 344	154 365

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

28 FEBRUARY 2025

	2025 R	2024 R
7. <u>Taxation</u>		
S A Normal Tax :		
- Current year	29 353	30 204
- Under provision prior years	693	-
	<u>30 046</u>	<u>30 204</u>
<i>Reconciliation of taxation expense:</i>		
(Deficit) / Surplus before taxation	418 415	193 735
	<u>418 415</u>	<u>193 735</u>
Tax @ 27 % (2024: 27%)	112 972	52 308
Exempt income	(1 638 287)	(1 417 952)
Non-deductible expenses	1 554 668	1 395 847
	<u>29 353</u>	<u>30 204</u>
8. <u>Cash generated from operations</u>		
Surplus before taxation	418 415	193 735
Adjustments for:		
- Investment revenue	(151 344)	(154 365)
- Capital Levies and Expenditure	505 600	(217 152)
	<u>772 671</u>	<u>(177 782)</u>
Changes in working capital		
- Trade and other receivables	(629 425)	(114 725)
- Trade and other payables	(146 136)	(165 376)
	<u>(2 890)</u>	<u>(457 883)</u>
9. <u>Related party transactions</u>		

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

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the year ended

28 FEBRUARY 2025

	2025 R	2024 R
10. <u>Risk management</u>		
<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.		
11. <u>Prior year error</u>		
During the current financial year, it was discovered that the CSOS levies for the period 1 January 2017 to 28 February 2019 was not provided for in the financial statements for the respected periods. 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		68 640
Trade payables		(68 640)

SCHEDULE A

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

DETAILED STATEMENT OF COMPREHENSIVE INCOME

for the year ended

28 FEBRUARY 2025

	2025 R	2024 R
OPERATING INCOME	6 178 324	5 365 339
Operational levies received	5 568 590	5 089 534
- General levies	5 384 340	5 032 200
- Building and gate levies	184 250	57 334
Interest	151 344	154 365
- Investments		
Other income - recoveries, insurance claims, fines and penalties	458 390	121 440
LESS : OPERATING EXPENSES	5 759 909	5 171 604
Security - guards, access control, fences and security equipment	2 416 161	1 408 567
Gardening services, wages and equipment	1 217 528	1 064 590
Infrastructure repairs, maintenance, equipment and handymen wages	657 924	1 215 149
Estate manager, administration expenses and office equipment	453 285	635 478
Utilities , rates and taxes	421 111	287 820
Rent - PCC and CoT	216 575	206 948
Membership Subscription - PCC	96 329	90 877
Insurance	43 913	56 640
Professional and legal fees and expenses	88 382	53 372
Management agent fees	50 455	52 290
Meeting expenses	25 986	40 875
Accounting fees	36 600	30 000
Audit fees	31 016	25 288
Bank charges	4 644	3 710
OPERATIONAL (DEFICIT)/SURPLUS FOR THE YEAR	418 415	193 735
TAXATION - CURRENT YEAR	(29 353)	(30 204)
TAXATION - UNDER PROVISION PRIOR YEARS	(693)	-
(DEFICIT)/SURPLUS BEFORE CAPITAL PROJECT SURPLUS	388 369	163 531
CAPITAL REPLACEMENT RESERVE FUND	505 600	(217 152)
Income		-
- Special levies received	237 600	
- Levies received on sale of Villas	268 000	499 197
Project expenses	-	(716 349)
- Extraordinary expenses		
TOTAL COMPREHENSIVE (DEFICIT)/SURPLUS FOR THE YEAR	893 969	(53 621)

SCHEDULE B

THE WATERKLOOF VILLAGE HOME OWNERS ASSOCIATION NPC

Registration number : 1995/000684/08

TAXATION COMPUTATION

for the year ended

28 FEBRUARY 2025

		2025 R
Interest received		151 344
Agent accreditation fees		-
Other taxable income	A	9 250
		<u>160 594</u>
Total income	B	<u>6 178 324</u>
Deductible portion of expenses (A / B)	C	2.60%
Deductible Expenses	D	72 260
Bank charges		4 644
Accounting fees		36 600
Auditing fees		31 016
Portion of expenses (C x D)	E	<u>1 878</u>
Taxable income before exemption (A - E)		158 716
Section 10(1)(e) exemption		(50 000)
Taxable income		<u>108 716</u>
Taxation thereon @ 27%		29 353
Balance payable - previous years		-
Less first provisional payment		(9 740)
Less second provisional payment		<u>(30 220)</u>
DUE TO THE SOUTH AFRICAN REVENUE SERVICE		<u><u>(10 607)</u></u>