

**Randpark Ridge Village Association**  
NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT  
(Registration number 1998/019868/08)  
Financial statements  
for the year ended 28 February 2017

A R Drew  
Chartered Accountant (S.A.)  
Registered Auditor

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.  
Issued 10 November 2017



# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

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Financial Statements for the year ended 28 February 2017

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

### Published

10 November 2017

# Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2017

## Directors' Responsibilities and Approval

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The directors are required by the Companies Act 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the financial statements.

The 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 judgements 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 of directors 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 company and all employees 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, 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 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 2018 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 3.

The financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 10 November 2017 and were signed on its behalf by:

### Approval of financial statements



Director



Director

**A R Drew  
Chartered Accountant (SA)  
Registered Auditor  
Pr. No. 950327**

**Randpark Ridge  
Randburg 2194  
Cell 082 5588667**

**North Riding  
2162  
ardrew@iafrica.com**

## **Independent Auditor's Report**

**To the members of Randpark Ridge Village Association**

### **Opinion**

I have audited the Financial Statements of Randpark Ridge Village Association set out on pages 6 to 12, which comprise the Statement of Financial Position as at 28 February 2017, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In my opinion, the Financial Statements present fairly, in all material respects, the financial position of Randpark Ridge Village Association as at 28 February 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

### **Basis for opinion**

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the 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. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Other information**

The directors are responsible for the other information. The other information comprises the Directors' 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 my auditor's report thereon.

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

In connection with my audit of the Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **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**

# Independent Auditor's Report

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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.

I 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 I identify during my audit.



A R Drew  
Chartered Accountant (S.A.)  
Registered Auditor

10 November 2017  
Randburg

# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

(Registration number 1998/019868/08)

Financial Statements for the year ended 28 February 2017

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Randpark Ridge Village Association for the year ended 28 February 2017.

### 1. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. 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 company are set out in these financial statements.

### 2. Directors

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

#### Directors

M G Stockdale

P J Culham

D J Stockdale

G S Lester

### 3. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

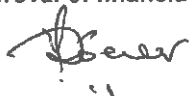
At 28 February 2017 the company's investment in property, plant and equipment amounted to R33,480 (2016:R-), of which R37,200 (2016: R-) was added in the current year through additions.

### 4. Events after the reporting period

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

The financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 10 November 2017, and were signed on its behalf by:

#### Approval of financial statements



\_\_\_\_\_  
Director

10 November 2017



\_\_\_\_\_  
Director

10 November 2017

# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

(Registration number 1998/019868/08)

Financial Statements for the year ended 28 February 2017

## Statement of Financial Position as at 28 February 2017

	Note(s)	2017 R	2016 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	33,480	
<b>Current Assets</b>			
Trade and other receivables	3	153,073	143,712
Cash and cash equivalents	4	1,062,262	970,526
		<u>1,215,335</u>	<u>1,114,238</u>
<b>Total Assets</b>		<u>1,248,815</u>	<u>1,114,238</u>
<b>Reserves and Liabilities</b>			
<b>Reserves</b>			
Retained income		1,145,390	1,002,252
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	103,425	111,986
<b>Total Reserves and Liabilities</b>		<u>1,248,815</u>	<u>1,114,238</u>

# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

(Registration number 1998/019868/08)

Financial Statements for the year ended 28 February 2017

## Statement of Comprehensive Income

	Note(s)	2017 R	2016 R
<b>Income</b>			
Subscriptions		1,883,414	1,857,687
Rental income		123,299	85,188
Interest received		75,292	57,968
		<u>2,082,005</u>	<u>2,000,843</u>
<b>Operating expenses</b>			
Accounting fees		60,114	58,690
Administration and management fees		92,841	94,904
Alarm installations		17,440	38,400
Auditors remuneration	7	150	2,150
Bank charges		19,056	26,595
Clearing and maintenance of amenities		76,167	43,564
Commission paid		47,064	35,476
Depreciation, amortisation and impairments		3,720	-
Donations - HCPF		12,000	12,000
Employee costs		74,852	80,708
Entertainment		664	1,293
Fines and penalties		211	387
Medical - ER 24 Subscriptions		15,226	15,226
Motor vehicle expenses		600	4,253
Printing and stationery		1,871	130
Promotions and website		36,976	11,781
Secretarial fees		2,925	2,015
Security - 24 hour patrolling and alarm monitoring		1,469,573	1,468,473
Staff welfare		3,973	1,469
Telephone and fax		3,444	24,561
		<u>1,938,867</u>	<u>1,922,075</u>
<b>Surplus for the year</b>		<u>143,138</u>	<u>78,768</u>



## Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2017

### Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 March 2015	<u>923,484</u>	<u>923,484</u>
Surplus for the year	<u>78,768</u>	<u>78,768</u>
Balance at 01 March 2016	<u>1,002,252</u>	<u>1,002,252</u>
Surplus for the year	<u>143,138</u>	<u>143,138</u>
Balance at 28 February 2017	<u>1,145,390</u>	<u>1,145,390</u>

Note(s)

# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

(Registration number 1998/019868/08)

Financial Statements for the year ended 28 February 2017

## Statement of Cash Flows

	Note(s)	2017 R	2016 R
<b>Cash flows from operating activities</b>			
Cash generated from operations	8	53,644	21,131
Interest income		75,292	57,968
<b>Net cash from operating activities</b>		<b>128,936</b>	<b>79,099</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(37,200)	-
<b>Total cash movement for the year</b>		<b>91,736</b>	<b>79,099</b>
Cash at the beginning of the year		970,526	891,427
<b>Total cash at end of the year</b>	4	<b>1,062,262</b>	<b>970,526</b>

# Randpark Ridge Village Association

Formerly NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT

(Registration number 1998/019868/08)

Financial Statements for the year ended 28 February 2017

## Accounting Policies

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### 1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The 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 Property, plant and equipment

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, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

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Item	Depreciation method	Average useful life
Advertising boards	Straight line	10 years

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#### 1.2 Financial instruments

##### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

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

#### 1.3 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of to the buyer, and has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

# Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2017

## Notes to the Financial Statements

	2017 R	2016 R
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### 2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Advertising boards	63,585	(30,105)	33,480	34,734	(34,734)	-

### Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Advertising boards	-	37,200	(3,720)	33,480

### 3. Trade and other receivables

Trade receivables	15,382	13,700
Prepayments - Protection Services	137,691	130,012
	<u>153,073</u>	<u>143,712</u>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Nedbank current account	23,256	26,584
Nedbank - Money Trader	1,038,950	943,734
Petty cash	56	208
	<u>1,062,262</u>	<u>970,526</u>

### 5. Trade and other payables

Trade payables	26,742	32,991
Rent received in advance	60,233	56,761
Subscriptions received in advance	13,300	16,234
Accrued audit fees	3,150	6,000
	<u>103,425</u>	<u>111,986</u>

### 6. Taxation

No provision has been made for 2017 tax as the company is exempt from paying tax.

### 7. Auditor's remuneration

Fees	3,150	2,150
Adjustment for previous year	(3,000)	-
	<u>150</u>	<u>2,150</u>

## Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2017

### Notes to the Financial Statements

	2017 R	2016 R
<b>8. Cash generated from operations</b>		
Surplus before taxation	143,138	78,768
<b>Adjustments for:</b>		
Depreciation and amortisation	3,720	-
Interest received	(75,292)	(57,968)
<b>Changes in working capital:</b>		
Trade and other receivables	(9,361)	(3,620)
Trade and other payables	(8,561)	3,951
	<u>53,644</u>	<u>21,131</u>

### 9. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.