

Randpark Ridge Village Association
NON-PROFIT COMPANY INCORPORATED FOR PUBLIC BENEFIT
(Registration number 1998/019868/08)
Financial statements
for the year ended 28 February 2018

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 23 November 2018

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 2018

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The reports and statements set out below comprise the financial statements presented to the members:

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Level of assurance

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

Published

23 November 2018

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Financial Statements for the year ended 28 February 2018

Directors' Responsibilities and Approval

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 2019 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 23 November 2018 and were signed on its behalf by:

Approval of financial statements



Director



Director

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

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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 2018, 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 2018, 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

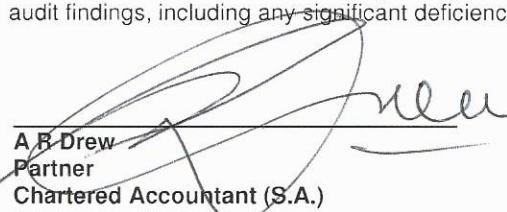
Independent Auditor's Report

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
Partner
Chartered Accountant (S.A.)
Registered Auditor

23 November 2018
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 2018

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Randpark Ridge Village Association for the year ended 28 February 2018.

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 2018 the company's investment in property, plant and equipment amounted to R94,373 (2017:R33,480), of which R80,000 (2017: R37,200) 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.

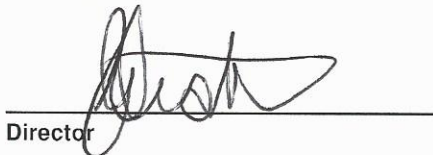
The financial statements set out on pages 5 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 23 November 2018, and were signed on its behalf by:

Approval of financial statements



Director

23 November 2018



Director

23 November 2018

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 2018

Statement of Financial Position as at 28 February 2018

	Note(s)	2018 R	2017 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	94,373	33,480
Current Assets			
Trade and other receivables	3	179,088	153,073
Cash and cash equivalents	4	1,047,826	1,062,262
		<u>1,226,914</u>	<u>1,215,335</u>
Total Assets		<u>1,321,287</u>	<u>1,248,815</u>
Reserves and Liabilities			
Reserves			
Retained income		1,215,657	1,145,390
Liabilities			
Current Liabilities			
Trade and other payables	5	105,630	103,425
Total Reserves and Liabilities		<u>1,321,287</u>	<u>1,248,815</u>

Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2018

Statement of Comprehensive Income

	Note(s)	2018 R	2017 R
Income			
Subscriptions		1,819,522	1,883,414
Rental income		81,326	123,299
Interest received		77,028	75,292
		1,977,876	2,082,005
Operating expenses			
Accounting fees		55,513	60,114
Administration and management fees		108,447	92,841
Alarm installations		13,200	17,440
Auditors remuneration		6,850	150
Bank charges		23,580	19,056
Clearing and maintenance of amenities		37,709	76,167
Commission paid		23,990	47,064
Depreciation, amortisation and impairments		19,107	3,720
Donations - HCPF		-	12,000
Employee costs		87,774	74,852
Entertainment		2,231	664
Fines and penalties		23	211
Insurance		4,482	-
Medical - ER 24 Subscriptions		-	15,226
Motor vehicle expenses		9,704	600
Printing and stationery		315	1,871
Promotions and website		11,651	36,976
Secretarial fees		1,886	2,925
Security - 24 hour patrolling and alarm monitoring		1,497,599	1,469,573
Staff welfare		-	3,973
Telephone and fax		3,548	3,444
		1,907,609	1,938,867
Surplus for the year		70,267	143,138

Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2018

Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 March 2016	1,002,252	1,002,252
Surplus for the year	143,138	143,138
Balance at 01 March 2017	1,145,390	1,145,390
Surplus for the year	70,267	70,267
Balance at 28 February 2018	1,215,657	1,215,657

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 2018

Statement of Cash Flows

	Note(s)	2018 R	2017 R
Cash flows from operating activities			
Cash (used in) generated from operations	7	(11,464)	53,645
Interest income		77,028	75,292
Net cash from operating activities		65,564	128,937
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(80,000)	(37,200)
Total cash movement for the year		(14,436)	91,737
Cash at the beginning of the year		1,062,262	970,525
Total cash at end of the year	4	1,047,826	1,062,262

Randpark Ridge Village Association

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Financial Statements for the year ended 28 February 2018

Accounting Policies

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:

Item	Depreciation method	Average useful life
Motor vehicles	Straight line	5 years
Advertising boards	Straight line	10 years

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 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.

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Financial Statements for the year ended 28 February 2018

Notes to the Financial Statements

	2018 R	2017 R
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2. Property, plant and equipment

	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Motor vehicles	80,000	(11,667)	68,333	-	-	-
Advertising boards	63,585	(37,545)	26,040	63,585	(30,105)	33,480
Total	143,585	(49,212)	94,373	63,585	(30,105)	33,480

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Total
Motor vehicles	-	80,000	(11,667)	68,333
Advertising boards	33,480	-	(7,440)	26,040
	33,480	80,000	(19,107)	94,373

3. Trade and other receivables

Trade receivables	29,058	15,382
Prepayments - Protection Services	150,030	137,691
	179,088	153,073

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Nedbank current account	26,431	23,256
Nedbank - Money Trader	1,020,439	1,038,950
Petty cash	956	56
	1,047,826	1,062,262

5. Trade and other payables

Trade payables	22,069	26,742
Rent received in advance	63,281	60,233
Subscriptions received in advance	15,280	13,300
Accrued audit fees	5,000	3,150
	105,630	103,425

6. Taxation

No provision has been made for 2018 tax as the company is exempt from paying tax.

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Notes to the Financial Statements

	2018 R	2017 R
7. Cash (used in) generated from operations		
Surplus before taxation	70,267	143,138
Adjustments for:		
Depreciation and amortisation	19,107	3,720
Interest received	(77,028)	(75,292)
Changes in working capital:		
Trade and other receivables	(26,015)	(9,361)
Trade and other payables	2,205	(8,560)
	<u>(11,464)</u>	<u>53,645</u>

8. Directors' remuneration

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