

Arabella Country Estate Home Owners Association NPC
(Registration Number 1999/005542/08)
Annual Financial Statements
for the year ended 31 December 2021

Audited Financial Statements

Prepared by: PragmaKonsult
Professional designation: CA (SA)

Arabella Country Estate Home Owners Association NPC

(Registration Number 1999/005542/08)

Annual Financial Statements for the year ended 31 December 2021

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Arabella Country Estate Home Owners Association NPC

(Registration Number 1999/005542/08)

Annual Financial Statements for the year ended 31 December 2021

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	1999/005542/08
Nature of Business and Principal Activities	The non-profit company is responsible for the running of the estate under the hospices of a Home Owners' Association.
Directors	A Lourens (Non executive) MRDS De Lima(Non executive Chairperson) LR van Onselen (Non executive) OJ van Jaarsveld (Non executive) R Erasmus (Non executive) D Uys (Executive) (Resigned 21 September 2021)
Registered Office	20 Hope Street Hermanus 7200
Business Address	Arabella Country Estate R44 Kleinmond 7195
Postal Address	P.O. Box 788 Kleinmond 7200
Chartered Accountant CA(SA)	PragmaKonsult 20 Hope Street Hermanus 7200

Independent Auditor's Report

To the Member of Arabella Country Estate Home Owners Association NPC

Opinion

I have audited the financial statements of Arabella Country Estate Home Owners Association NPC set out on pages 8 to 21, which comprise the statement of financial position as at 31 December 2021, and the statement of 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 my opinion, the financial statements present fairly, in all material respects, the financial position of Arabella Country Estate Home Owners Association NPC as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). 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 non-profit 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 information included in the document titled "Arabella Country Estate Home Owners Association NPC Annual Financial Statements for the year ended 31 December 2021", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval, which I obtained prior to the date of this report, and the supplementary information set out on pages 22 to 23. The 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 the International Financial Reporting Standard for Small and Medium-sized Entities, 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 non-profit 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 non-profit company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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 ISAs 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 ISAs, 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 non-profit 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 non-profit 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 non-profit 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.



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PragmaKonsult

5 May 2022



Per: Juan Pieterse
Director / Partner
Chartered Accountant (SA)

20 Hope Street
Hermanus
7200



Arabella Country Estate Home Owners Association NPC

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Annual Financial Statements for the year ended 31 December 2021

Directors' Responsibilities and Approval

The directors are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit company, and explain the transactions and financial position of the business of the non-profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit company 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 non-profit company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 non-profit company and all employees are required to maintain the highest ethical standards in ensuring the non-profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit company. While operating risk cannot be fully eliminated, the non-profit 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the non-profit company will not be a going concern in the foreseeable future. The financial statements support the viability of the non-profit company.

The annual financial statements have been audited by the independent auditing firm, PragmaKonsult, who has been given unrestricted access to all financial records and related data, including minutes of all meetings of the member, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 3 to 5.

The annual financial statements set out on pages 8 to 21, and the supplementary information set out on pages 22 to 23 which have been prepared on the going concern basis, were approved by the directors and were signed on 5 May 2022 on their behalf by:



MRDS De Lima (Non executive Chairperson)



A Lourens (Non executive)

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Directors' Report

The directors present their report for the year ended 31 December 2021.

1. Review of activities

Main business and operations

The non-profit company is responsible for the running of the estate under the auspices of a Home Owners' Association. There were no major changes herein during the year.

The operating results and statement of financial position of the non-profit company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

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

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit company.

4. Directors

The directors of the non-profit company during the year and up to the date of this report are as follows:

A Lourens (Non executive)

MRDS De Lima (Non executive Chairperson)

LR van Onselen (Non executive)

OJ van Jaarsveld (Non executive)

R Erasmus (Non executive)

D Uys (Executive) (Resigned 21 September 2021)

5. Independent Auditor

PragmaKonsult was the independent auditor for the year under review.

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Financial Statements for the year ended 31 December 2021

Statement of Financial Position

Figures in R	Notes	31 December 2021	31 December 2020
Assets			
Non-current assets			
Property, plant and equipment	3	5,851,045	6,145,114
Current assets			
Trade and other receivables	4	2,005,021	1,938,241
Current tax assets	5	78,482	80,562
Cash and cash equivalents	6	9,926,081	8,875,454
Total current assets		12,009,584	10,894,257
Total assets		17,860,629	17,039,371
Equity and liabilities			
Equity			
Accumulated surplus		13,890,426	12,762,457
Other non-distributable reserves		1,165,000	1,165,000
Total equity		15,055,426	13,927,457
Liabilities			
Current liabilities			
Provisions	7	526,348	780,497
Trade and other payables	8	2,110,570	2,177,715
Builders deposits		166,378	142,516
Arabella Home Owners Trust		1,907	11,186
Total current liabilities		2,805,203	3,111,914
Total equity and liabilities		17,860,629	17,039,371

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Statement of Comprehensive Income

Figures in R	Notes	31 December 2021	31 December 2020
Revenue		12,986,874	12,170,668
Other income		8,146,018	7,650,671
Administrative expenses		(169,601)	(208,518)
Other expenses		(20,080,699)	(18,401,435)
Surplus from operating activities	9	882,592	1,211,386
Finance income	10	362,857	481,476
Surplus before tax		1,245,449	1,692,862
Income tax expense	11	(117,480)	(145,824)
Surplus for the year		1,127,969	1,547,038

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Statement of Changes in Equity

Figures in R	Other non-distributable reserve	Accumulated surplus	Total
Balance at 1 March 2019	1,165,000	11,215,419	12,380,419
Changes in equity			
Surplus for the year	-	1,547,038	1,547,038
Total comprehensive income for the year	-	1,547,038	1,547,038
Balance at 31 December 2020	1,165,000	12,762,457	13,927,457
Balance at 1 January 2021	1,165,000	12,762,457	13,927,457
Changes in equity			
Surplus for the year	-	1,127,969	1,127,969
Total comprehensive income for the year	-	1,127,969	1,127,969
Balance at 31 December 2021	1,165,000	13,890,426	15,055,426

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Statement of Cash Flows

Figures in R	Notes	31 December 2021	31 December 2020
Net cash flows from operations	13	2,319,964	3,595,824
Interest received		362,857	481,476
Income taxes paid		(115,400)	(188,789)
Net cash flows from operating activities		2,567,421	3,888,511
Cash flows used in investing activities			
Purchase of property, plant and equipment		(1,531,379)	(2,210,438)
Cash flows used in investing activities		(1,531,379)	(2,210,438)
Cash flows from / (used in) financing activities			
Proceeds from other financial liabilities		14,585	(5,428)
Cash flows from / (used in) financing activities		14,585	(5,428)
Net increase in cash and cash equivalents		1,050,627	1,672,645
Cash and cash equivalents at beginning of the year		8,875,454	7,202,809
Cash and cash equivalents at end of the year	6	9,926,081	8,875,454

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Accounting Policies

1. General information

Arabella Country Estate Home Owners Association NPC ('the non-profit company') is responsible for the running of the estate under the hospices of a Home Owners' Association.

The non-profit company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is 20 Hope Street, Hermanus, 7200.

2. Basis of preparation and summary of significant accounting policies

The financial statements of Arabella Country Estate Home Owners Association NPC have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit company's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the directors.

The non-profit company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the non-profit company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life / depreciation rate
Land	
Sewerage plant	5 years
Motor vehicles	5 years
Fixtures and fittings	10 years
Computer equipment	3 years
Other equipment	10 years
Waterworks	5 years
Security equipment	5 years

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

2.2 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the non-profit company will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Levies in arrears

Levies in arrears are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of levies in arrears is established when there is objective evidence that the non-profit company will not be able to collect all amounts due according to the original terms.

Levies in arrears are classified as debt instruments and loan commitments at amortised cost.

Other financial assets

Other financial assets are recognised initially at the transaction price, including transaction costs except where the asset will subsequently be measured at fair value.

Where other financial assets relate to shares that are publicly traded, or where fair values can be measured reliably without undue cost or effort, these assets are subsequently measured at fair value with the changes in fair value being recognised in profit or loss. Other investments are subsequently measured at cost less impairment.

Debt instruments are subsequently stated at amortised cost. Interest income is recognised on the basis of the effective interest method and is included in finance income.

Commitments to receive a loan that meet the conditions in paragraph 11.8(c) are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Levies in advance

Levies in advance are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.3 Tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the entity operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the entity. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

2.4 Provisions

Provisions for restructuring costs and legal claims are recognised when: the non-profit company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Interest income is recognised using the effective interest method.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term and is included in 'other income'.

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Levies

The ordinary levies receivable are accounted for on a straight-line basis over the financial year and decided amongst the directors on a participation quota basis. The annual ordinary levies are agreed and approved by the directors at the non-profit company's annual general meeting. Interest is recognised, in surplus or deficit, using the effective interest rate method. Interest on arrear levy contributions is recognised in terms of prescribed management rule 21(3)(c).

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Notes to the Financial Statements

Figures in R

3. Property, plant and equipment

Balances at year end and movements for the year

	Land	Sewerage plant	Motor vehicles	Fixtures and fittings	Computer equipment	Other equipment	Waterworks	Security equipment	Total
Reconciliation for the period ended 31 December 2021									
Balance at 1 January 2021									
At cost	891,790	1,363,470	3,734,238	218,216	197,841	2,888,282	3,724,322	6,184,188	19,202,347
Accumulated depreciation	-	(1,275,420)	(2,984,216)	(207,769)	(197,781)	(1,999,545)	(1,733,163)	(4,659,339)	(13,057,233)
Carrying amount	891,790	88,050	750,022	10,447	60	888,737	1,991,159	1,524,849	6,145,114
Movements for the period ended 31 December 2021									
Additions from acquisitions	210,355	-	174,500	-	-	72,405	497,010	577,109	1,531,379
Depreciation	-	(24,722)	(336,771)	(2,675)	-	(346,197)	(594,062)	(521,022)	(1,825,449)
Property, plant and equipment at the end of the year	1,102,145	63,328	587,751	7,772	60	614,946	1,894,107	1,580,936	5,851,044
Closing balance at 31 December 2021									
At cost	1,102,145	1,363,470	3,908,738	-	60	2,960,687	4,250,929	6,761,296	20,347,325
Accumulated depreciation	-	(1,300,142)	(3,320,987)	7,772	-	(2,345,741)	(2,356,822)	(5,180,360)	(14,496,280)
Carrying amount	1,102,145	63,328	587,751	7,772	60	614,946	1,894,107	1,580,936	5,851,045

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Notes to the Financial Statements

Figures in R

Property, plant and equipment continued...

Reconciliation for the period ended 31 December 2020

Balance at 1 March 2019

At cost	891,790	1,280,870	3,444,346	218,216	197,841	2,704,494	2,626,480	5,627,872	16,991,909
Accumulated depreciation	-	(1,205,319)	(2,671,472)	(201,651)	(197,635)	(1,680,045)	(1,278,942)	(4,154,009)	(11,389,073)
Carrying amount	891,790	75,551	772,874	16,565	206	1,024,449	1,347,538	1,473,863	5,602,836

Movements for the period ended 31 December 2020

Additions from acquisitions	-	82,601	289,892	-	-	183,788	1,097,842	556,315	2,210,438
Depreciation	-	(70,102)	(312,744)	(6,118)	(146)	(319,500)	(454,221)	(505,329)	(1,668,160)
Property, plant and equipment at the end of the year	891,790	88,050	750,022	10,447	60	888,737	1,991,159	1,524,849	6,145,114

Closing balance at 31 December 2020

At cost	891,790	1,363,470	3,734,238	218,216	197,841	2,888,282	3,724,322	6,184,188	19,202,347
Accumulated depreciation	-	(1,275,420)	(2,984,216)	(207,769)	(197,781)	(1,999,545)	(1,733,163)	(4,659,339)	(13,057,233)
Carrying amount	891,790	88,050	750,022	10,447	60	888,737	1,991,159	1,524,849	6,145,114

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Figures in R	31 December 2021	31 December 2020
4. Trade and other receivables		
Trade and other receivables comprise:		
Trade receivables	926,781	725,517
Electricity, water and sewerage recovery	1,078,240	1,167,333
Value added tax	-	45,391
	<u>2,005,021</u>	<u>1,938,241</u>
5. Current tax assets		
Current tax assets comprise the following balances		
Net current tax asset from all items being set off	<u>78,482</u>	<u>80,562</u>
Total current tax asset per the statement of financial position	<u>78,482</u>	<u>80,562</u>
6. Cash and cash equivalents		
6.1 Cash and cash equivalents included in current assets:		
Cash		
Cash on hand	151	976
Balances with banks	4,002,988	3,188,158
	<u>4,003,139</u>	<u>3,189,134</u>
Cash equivalents		
Short term deposits	<u>5,922,942</u>	<u>5,686,320</u>
	<u>9,926,081</u>	<u>8,875,454</u>
6.2 Net cash and cash equivalents		
Current assets	<u>9,926,081</u>	<u>8,875,454</u>

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Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

Figures in R		31 December 2021	31 December 2020	
7. Provisions				
Reconciliation of provision 2021				
	Opening balance	Additions	Utilised during the year	Total
Audit fee	25,000	-	-	25,000
Bad debt	35,504	-	-	35,504
Borehole electricity	100,000	-	-	100,000
Leave pay	201,215	-	-144,301	56,914
Legal proceedings	24,331	-	-24,331	-
Marketing reserve	325,077	-	-98,867	226,210
Security accrual	19,370	-	-19,370	-
Telephone provision	50,000	-	-50,000	-
	<u>780,497</u>	<u>-</u>	<u>-336,869</u>	<u>443,628</u>
8. Trade and other payables				
Trade and other payables comprise:				
Trade creditors		669,390	634,877	
Income received in advance		1,439,261	1,542,838	
Value added tax		1,919	-	
Total trade and other payables		<u>2,110,570</u>	<u>2,177,715</u>	
9. Surplus from operating activities				
Surplus from operating activities includes the following separately disclosable items				
Other operating expenses				
Property plant and equipment - depreciation		1,825,446	1,668,160	
10. Finance income				
Finance income comprises:				
Interest received		346,482	461,747	
Interest received trade debtors		16,375	19,729	
Total finance income		<u>362,857</u>	<u>481,476</u>	

Arabella Country Estate Home Owners Association NPC

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Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

Figures in R	31 December 2021	31 December 2020
11. Income tax expense		
Income tax recognised in surplus or deficit:		
Current tax		
Current year	117,480	145,824
Deferred tax		
Total income tax expense	117,480	145,824

12. Related parties

Compensation paid to directors and prescribed officers

Name	Fees paid	Salaries, bonuses and performance related payments	Total remuneration
A Lourens (Non executive)	52,098	-	52,098
MRDS De Lima(Non executive Chairperson)	-	-	-
LR van Onselen (Non executive)	-	-	-
OJ van Jaarsveld (Non executive)	52,098	-	52,098
R Erasmus (Non executive)	-	-	-
D Uys (Executive)	-	1,251,324	1,251,324
Total compensation paid to directors and prescribed officers	104,196	1,251,324	1,355,520

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Financial Statements for the year ended 31 December 2021

Notes to the Financial Statements

Figures in R	31 December 2021	31 December 2020
13. Cash flows from operating activities		
Surplus for the year	1,127,969	1,547,038
Adjustments for:		
Income tax expense	117,480	145,824
Finance income	(362,857)	(481,476)
Depreciation and amortisation expense	1,825,446	1,668,160
Change in operating assets and liabilities:		
Adjustments for (increase) / decrease in trade accounts receivable	(201,264)	217,748
Adjustments for decrease / (increase) in other operating receivables	134,484	(45,758)
Adjustments for increase in trade accounts payable	34,513	95,233
Adjustments for (decrease) / increase in other operating payables	(101,658)	499,355
Adjustments for provisions	(254,149)	(50,300)
Net cash flows from operations	2,319,964	3,595,824

Arabella Country Estate Home Owners Association NPC

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Annual Financial Statements for the year ended 31 December 2021

Detailed Income Statement

Figures in R	Notes	31 December 2021	31 December 2020
Revenue			
Ordinary levies		12,986,874	12,170,668
Other income			
Gains on disposal of assets		29,565	61,043
Levy utility recovery		7,880,533	7,466,076
Marketing contribution		100,125	-
Other income		135,795	123,552
		8,146,018	7,650,671
Administrative expenses			
Auditors remuneration - Fees		(25,400)	(26,650)
Bank charges		(40,129)	(49,716)
Computer expenses		(35,222)	(30,748)
Subscriptions		-	(14,135)
Telecommunication		(68,850)	(87,269)
		(169,601)	(208,518)

Arabella Country Estate Home Owners Association NPC

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Annual Financial Statements for the year ended 31 December 2021

Detailed Income Statement

Figures in R	Notes	31 December 2021	31 December 2020
Other expenses			
Chemicals		(225,803)	(176,191)
Cleaning		(64,926)	(34,090)
Communication portal		(4,772)	(13,634)
Consulting fees		-	(2,500)
Covid 19 expenses		(28,506)	(68,089)
Depreciation - property, plant and equipment		(1,825,446)	(1,668,160)
Employee costs - directors		(104,196)	(66,792)
Employee costs - salaries		(2,617,647)	(2,700,949)
Equipment hire		(42,539)	(43,277)
Garden and pool expenses		(1,231,999)	(1,356,128)
Insurance		(259,942)	(257,161)
Legal expense		(491,278)	(139,916)
Major maintenance		(814,708)	(262,370)
Motor vehicle expenses		(100,125)	(105,403)
Municipal charges		(3,587,967)	(3,316,097)
Other expenses		(48,659)	(83,289)
Petrol and oil		(207,544)	(161,919)
Plan scrutiny fee		(27,747)	(28,415)
Postage		(1,275)	(1,505)
Printing and stationery		(50,664)	(48,547)
Protective clothing		(36,891)	(35,729)
Quality audit - ISO		(34,100)	(20,200)
Refuse collection		(159,106)	(158,929)
Repairs and maintenance		(3,629,738)	(3,127,188)
Security		(3,465,419)	(3,585,725)
Staff welfare		(12,434)	(10,028)
Water and sewerage		(1,007,268)	(929,204)
		(20,080,699)	(18,401,435)
Surplus from operating activities	9	882,592	1,211,386
Finance income			
Interest received	10	346,482	461,747
Trade and other receivables		16,375	19,729
		362,857	481,476
Surplus before tax		1,245,449	1,692,862
Income tax			
Current tax	11	(117,480)	(145,824)
Surplus for the year		1,127,969	1,547,038