

**CENTURY MANOR HOA NPC
(REGISTRATION NUMBER 2006/004534/08)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

Liesl Ansley CA(SA)
Chartered Accountant (SA)
Registered Auditor

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

Issued 05 June 2020

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The business of the homeowners association is the management and upkeep of the estate
Directors	JBM Hetzog JJ Jordaan E Weiss J Bubb JW Lotz CJ Roelofse JS Cronje
Business address	Stand 3621-3630 Irene Pretoria
Auditor	Liesl Ansley CA(SA) Chartered Accountant (SA) Registered Auditor 92 Puttick Avenue 23 Villa Toscana Sundowner 2188 Postnet Suite 3 Private Bag X5 Strubens Valley 1735
Secretary	Pretor Group (Pty) Ltd
Company registration number	2006/004534/08
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were internally compiled by: EM Murray Chartered Accountant (S.A.)

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

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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.

Preparer

EM Murray
Chartered Accountant (S.A.)

Published

05 June 2020

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

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 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 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 2021 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 is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on page 5.

The financial statements set out on page 7, which have been prepared on the going concern basis, were approved by the board on 05 June 2020 and were signed on its behalf by:

Approval of financial statements

Director

Director

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Directors' Report

The directors have pleasure in submitting their report on the financial statements of CENTURY MANOR HOA NPC and its associates for the year ended 29 February 2020.

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

JBM Hetzog

JJ Jordaan

E Weiss

J Bubb

JW Lotz

CJ Roelofse

JS Cronje

3. 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.

4. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

5. Auditors

Liesl Ansley CA(SA) will be prepared to continue in office in accordance with section 90(6) of the Companies Act of South Africa, 2008.

6. Secretary

The company secretary is Pretor Group (Pty) Ltd.

Business address

262 Rose Avenue
Doringkloof
0157



Independent Auditor's Report

To the shareholder of CENTURY MANOR HOA NPC

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of CENTURY MANOR HOA NPC (the company) set out on pages 7 to 14, which comprise the statement of financial position as at 29 February 2020, 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 CENTURY MANOR HOA NPC as at 29 February 2020, 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 sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. I have fulfilled my other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. 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 "CENTURY MANOR HOA NPC financial statements for the year ended 29 February 2020", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. 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 on the other information obtained prior to the date of this auditor's report, 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.

Independent Auditor's Report

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

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.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, I report that Liesl Ansley CA(SA) has been the auditor of CENTURY MANOR HOA NPC for 1 years.

L Ansley
Chartered Accountant (SA)
Registered Auditor

05 June 2020

92 Puttick Avenue
23 Villa Toscana
Sundowner
2188

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Statement of Financial Position as at 29 February 2020

Figures in Rand	Note(s)	2020	2019
Assets			
Current Assets			
Trade and other receivables	2	75,318	55,426
Current tax receivable		341	561
Cash and cash equivalents	3	467,347	861,223
		543,006	917,210
Total Assets		543,006	917,210
Equity and Liabilities			
Equity			
Retained income		77,472	408,009
Liabilities			
Current Liabilities			
Trade and other payables	4	465,534	509,201
Total Equity and Liabilities		543,006	917,210

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Statement of Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue	5	1,717,705	1,347,624
Other income	7	54,517	169,436
Operating expenses		(2,102,759)	(2,132,264)
Operating loss		(330,537)	(615,204)
Finance costs		-	(24)
Loss before taxation		(330,537)	(615,228)
Taxation		-	(8,013)
Loss for the year		(330,537)	(623,241)
Other comprehensive income		-	-
Total comprehensive loss for the year		(330,537)	(623,241)

CENTURY MANOR HOA NPC

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Financial Statements for the year ended 29 February 2020

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 March 2018	1,031,250	1,031,250
Loss for the year	(623,241)	(623,241)
Other comprehensive income	-	-
Total comprehensive loss for the year	(623,241)	(623,241)
Balance at 01 March 2019	408,009	408,009
Loss for the year	(330,537)	(330,537)
Other comprehensive income	-	-
Total comprehensive loss for the year	(330,537)	(330,537)
Balance at 29 February 2020	77,472	77,472

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Statement of Cash Flows

Figures in Rand	Note(s)	2020	2019
Cash flows from operating activities			
Cash used in operations		(430,858)	(432,183)
Interest income		36,762	73,163
Finance costs		-	(24)
Tax received (paid)		220	(11,525)
Net cash from operating activities		(393,876)	(370,569)
Total cash movement for the year		(393,876)	(370,569)
Cash at the beginning of the year		861,223	1,231,792
Total cash at end of the year	3	467,347	861,223

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis 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, except for biological assets at fair value less point of sale costs, 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 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or 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. 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 Tax

Tax expenses

The homeowners association is taxed in terms of Section 10(1)(e) of the Income Tax Act, 1962. In terms of this section, levy income and recoveries are fully exempt. All other income is exempt up to a maximum of R50,000 per annum. Therefore, taxation is calculated and provided for on investment income and other income greater than R50,000 per annum less a portion of deductible administrative expenses.

1.4 Revenue

Levies and recoveries are recognised as revenue once owners are invoiced. Ordinary levies are invoiced monthly, based on the proportional amount as per the approved budget. Other recoveries are recognised as and when due by the owners and are disclosed with the expenses to which they relate. When the inflow of cash and cash equivalents is deferred, the fair value of the consideration receivable is the present value of all future receipts using the imputed rate of interest.

Levies have been accounted for on the accrual basis and therefore includes outstanding amounts owing by the owners.

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

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Notes to the Financial Statements

Figures in Rand	2020	2019
2. Trade and other receivables		
Levies receivable	74,028	43,109
Deposits	1,290	1,290
Prepayment - City council	-	11,027
	75,318	55,426
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Reserve fund account	5,001	5,000
Investment	159,316	543,548
Trust account	303,030	312,675
	467,347	861,223
4. Trade and other payables		
Audit fees	9,520	9,002
Bidvest Protea Coin	70,104	54,349
Building deposits	256,100	256,100
CSOS liability	2,142	1,808
Delitech internet	-	229
Levies paid in advance	119,739	117,676
Provision - Municipal	7,929	70,037
	465,534	509,201
5. Levies received		
Administrative	1,571,911	1,274,461
Building penalty fee	110,032	-
	1,681,943	1,274,461
6. Interest received		
Financial institutions	23,722	62,026
Arrear levies	12,990	11,137
	36,712	73,163
7. Recoveries		
Recovery - Security access cards & tags	240	-
Recovery - Access control	38,377	29,436
Recovery - Cleaning of stands	15,900	5,400
Recovery - Security	-	128,700
	54,517	163,536

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Notes to the Financial Statements

Figures in Rand	2020	2019
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8. Employee cost

Employee costs

Admin fees	1,616	1,526
Overalls and uniforms	766	731
Salaries	261,212	210,092
Staff consumables	602	22
Telephone expenses	400	-
UIF	2,437	2,019
WCA	1,227	2,699
	268,260	217,089

9. Insurance

Insurance values

Combined policy	3,386,880	3,386,880
Public liability	50,000,000	50,000,000
All risk	131,805	131,805
Money	50,000	50,000

Insurance Company - The Hollard Insurance Company Limited
Insurance Policy Number - PTA/HSTM P/000149827

Expiry date - 31 October 2020

10. Municipal expenses

Assessment rates	4,964	4,345
Electricity	27,984	6,586
Interest and admin	1,175	-
Refuse	1,200	-
Sanitation	13,244	5,568
Water	144,639	132,691
	193,206	149,190

11. Garden

Equipment	33,124	28,628
Garden service	7,461	-
Garden stand cleaning	4,500	7,663
Maintenance	46,837	68,671
Pool equipment	7,027	-
Pool maintenance	15,540	7,955
	114,489	112,917

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Notes to the Financial Statements

Figures in Rand	2020	2019
12. Repairs and maintenance		
Cleaning Materials	2,630	2,165
Electrical	47,656	15,059
Fire equipment	1,978	844
General maintenance	92,831	29,119
Office equipment	-	1,198
Plumbing	210	21,555
IT equipment	-	4,128
Kitchen equipment	850	-
	146,155	74,068
13. Security		
Access control	50,952	51,863
Equipment	1,150	10,054
Guarding service	735,563	572,032
Maintenance	93,820	62,809
Telephone	7,686	9,053
	889,171	705,811
14. Projects		
Security	190,710	498,575
Garden	-	115,315
Electric fence	89,576	-
	280,286	613,890

CENTURY MANOR HOA NPC

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Detailed Income Statement

Figures in Rand	Note(s)	2020	2019
Revenue			
Levies received	5	1,680,943	1,274,461
Interest received	6	36,762	73,163
		1,717,705	1,347,624
Other income			
Recoveries - Security access cards and tags	7	54,517	163,536
Other income		-	5,900
		54,517	169,436
Operating expenses			
Auditors remuneration		(9,520)	(9,002)
Bank charges		(13,773)	(14,181)
Internet fees		(3,225)	(3,985)
Consulting and professional fees		(28,175)	(78,890)
Employee costs	8	(268,260)	(217,089)
Entertainment		(20)	-
Prior year adjustment		-	(1,000)
Garden	11	(114,489)	(112,917)
Insurance	9	(23,097)	(20,545)
Managing agents fees		(130,608)	(120,937)
Municipal expenses	10	(193,206)	(149,190)
Projects	14	(280,286)	(613,890)
Printing and stationery		(618)	(3,096)
Prior year adjustment		4,872	-
Repairs and maintenance	12	(146,155)	(74,068)
Secretarial fee		(4,153)	(4,963)
Security	13	(889,171)	(705,811)
Tax return fee		(2,875)	(2,700)
		(2,102,759)	(2,132,264)
Operating loss		(330,537)	(615,204)
Finance costs		-	(24)
Loss before taxation		(330,537)	(615,228)
Taxation		-	(8,013)
Loss for the year		(330,537)	(623,241)

CENTURY MANOR HOA NPC

(Taxpayer reference number)

(Registration number: 2006/004534/08)

Financial Statements for the year ended 29 February 2020

Tax Computation

Figures in Rand	2020
Net loss per income statement	(330,537)
Permanent differences (Non-deductible/Non taxable items)	
Levy exemption in terms of s10(1)(e)(i) (refer to guide)	(1,735,460)
Expenses in the production of exempt income	2,102,759
Section 10(1)(e)(ii) exemption	(36,762)
	330,537
Assessed loss brought forward	-
Tax thereon @ 28% in the Rand	-