

Sunninghill Community Non-Profit Company
(Registration number 1999/027619/08)

**Annual Financial Statements
for the year ended 28 February 2023**

Sunninghill Community Non-Profit Company

(Registration number: 1999/027619/08)

Annual Financial Statements for the year ended 28 February 2023

General Information

Country of incorporation	South Africa
Nature of business	Overall suburb management including inter alia the delivery of services towards security, traffic an infra-structure to the community of Sunninghill
Directors	M.R. Goodman B.I. Lawson L.J. Gildenhuys G. Moodley W. Pretorius Resigned 31 August 2021
Registered office	1st Floor Sunninghill Village Shop Edison Crescent Sunninghill Gauteng 2191
Auditors	Burns Acutt Audit Services Incorporated Chartered Accountants (SA) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: Burns Acutt Financial Services Incorporated Chartered Accountant (S.A.)
Issued	05 June 2023

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, 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 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 auditors are engaged to express an independent opinion on the annual financial statements.

The annual 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 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 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 annual 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 ensuing financial year and, in 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.

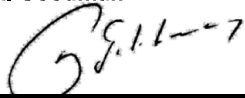
The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 5 - 6.

The annual financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved and signed by the board of directors on 05 June 2023:

Approval of annual financial statements



M.R. Goodman



L.J. Gildenhuys



B.I. Lawson



G. Moodley

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Annual Financial Statements for the year ended 28 February 2023

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Sunninghill Community Non-Profit Company for the year ended 28 February 2023.

1. Review of financial results and activities

The annual 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 of South Africa. 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 annual financial statements.

2. Auditors

Burns Acutt Audit Services Incorporated were appointed as auditors for the company for 2023.

3. Directors

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

M.R. Goodman

B.I. Lawson

L.J. Gildenhuis

G. Moodley

W. Pretorius

Resigned 31 August 2021

4. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements for the year ended 28 February 2023, and/or disclosure in the notes thereto.

Independent Auditor's Report

To the Shareholder of Sunninghill Community Non-Profit Company

Opinion

We have audited the annual financial statements of Sunninghill Community Non-Profit Company (the company) set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2023, statement of income and retained earnings and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Sunninghill Community Non-Profit Company as at 28 February 2023, 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 and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sunninghill Community Non-Profit Company annual financial statements for the year ended 28 February 2023", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on page 15. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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.

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Burns Acutt Audit Services Incorporated
Per: L.E. Snoyman
Chartered Accountants (SA)
Registered Auditors

05 June 2023

Sunninghill Community Non-Profit Company

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Annual Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

Figures in Rand	Notes	2023	2022
Assets			
Non-Current Assets			
Plant and equipment	2	12 975	48 106
Current Assets			
Cash and cash equivalents		631 075	452 496
Trade and other receivables	3	126 728	120 745
		757 803	573 241
Total Assets		770 778	621 347
Equity and Liabilities			
Equity			
Retained income		752 467	551 921
Liabilities			
Current Liabilities			
Provisions	4	-	57 185
Trade and other payables	5	18 311	12 241
		18 311	69 426
Total Equity and Liabilities		770 778	621 347

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Statement of Income and Retained Earnings

Figures in Rand	Notes	2023	2022
Revenue	6	4 485 516	4 212 430
Other income		282 703	276 026
Operating expenses	7	(4 589 001)	(4 651 334)
Operating profit (loss)		179 218	(162 878)
Interest received		21 328	14 987
Profit (loss) for the year		200 546	(147 891)
Retained income at the beginning of the year		551 921	699 812
Retained income at the end of the year		752 467	551 921

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Statement of Cash Flows

Figures in Rand	Notes	2023	2022
Cash flows from operating activities			
Cash receipts from customers		4 762 235	(164 801)
Cash paid to suppliers and employees		(4 604 984)	-
Cash generated from (used in) operations	9	157 251	(164 801)
Interest received		21 328	14 987
Net cash from operating activities		178 579	(149 814)
Cash flows from investing activities			
Purchase of plant and equipment	2	-	(18 518)
Proceeds from sale of plant and equipment	2	-	2
Net cash from investing activities		-	(18 516)
Total cash movement for the year		178 579	(168 330)
Cash and cash equivalents at the beginning of the year		452 496	620 826
Total cash at end of the year		631 075	452 496

Sunninghill Community Non-Profit Company

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Annual Financial Statements for the year ended 28 February 2023

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual 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 of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Plant and equipment

Plant and equipment are tangible assets which the company holds for its own use and which are expected to be used for more than one period.

Plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of 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 plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	4 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 years
Garden equipment	Straight line	5 years

When indicators are present that the useful lives and residual values of items of plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

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Accounting Policies

1.2 Financial instruments

Financial assets and liabilities, such as trade and other receivables and trade and other payables, are initially measured at the transaction price (including any transaction costs unless the instrument is subsequently measured at fair value through profit or loss) unless the arrangement constitutes a financing arrangement for the entity (for a financial liability) or the counterparty (for a financial asset) to the arrangement. The Company does not enter into arrangements that constitute, in effect, financing arrangements as contemplated by paragraph 11.13 of International Financial Reporting Standards for Small and Medium-sized Enterprises.

Financial instruments are subsequently measured in accordance with paragraphs 11.14 - 11.20 of International Financial Reporting Standards for Small and Medium-sized Enterprises. Specifically, current financial assets and liabilities are subsequently measured at the undiscounted amount of the future cash flows (or other consideration) expected to be paid or received to settle the instrument.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

The non profit company (NPC) is taxed in terms of Section 10(1)(e) of the Income Tax Act.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.5 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

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 the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.6 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or 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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Notes to the Annual Financial Statements

Figures in Rand

2023

2022

2. Plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	17 650	(17 649)	1	17 650	(14 710)	2 940
Motor vehicles	142 900	(142 899)	1	142 900	(116 106)	26 794
Garden equipment	26 996	(14 023)	12 973	26 996	(8 624)	18 372
Total	187 546	(174 571)	12 975	187 546	(139 440)	48 106

Reconciliation of plant and equipment - 2023

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	2 940	(2 939)	1
Motor vehicles	26 794	(26 793)	1
Garden equipment	18 372	(5 399)	12 973
	48 106	(35 131)	12 975

Reconciliation of plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	5 882	-	-	(2 942)	2 940
Motor vehicles	62 519	-	-	(35 725)	26 794
Office equipment	1	-	(1)	-	-
IT equipment	1	-	(1)	-	-
Garden equipment	4 945	18 518	-	(5 091)	18 372
	73 348	18 518	(2)	(43 758)	48 106

Details of properties

3. Trade and other receivables

Trade receivables	126 728	120 745
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4. Provisions

Reconciliation of provisions - 2023

	Opening balance	Reversed during the year	Closing balance
Provision for future expenses	57 185	(57 185)	-

Reconciliation of provisions - 2022

	Opening balance	Reversed during the year	Closing balance
Provision for future expenses	104 883	(47 698)	57 185

Net provisions

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

5. Trade and other payables

Amounts received in advance	9 664	-
VAT	549	7
Other payables	8 098	12 234
	<u>18 311</u>	<u>12 241</u>

6. Revenue

Community subscriptions	<u>4 485 516</u>	<u>4 212 430</u>
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7. Operating expenses

Operating expenses include the following expenses:

Directors services	638 075	623 881
Depreciation	35 131	43 758
Employee costs	<u>624 963</u>	<u>702 318</u>

8. Taxation

Non provision of tax

No provision has been made for 2023 tax as the company is exempt in terms of Section 10(1)(e)

9. Cash generated from (used in) operations

Net profit (loss)	200 546	(147 891)
Adjustments for:		
Depreciation	35 131	43 758
Movement in provisions	(57 185)	-
Interest received	(21 328)	(14 987)
Changes in working capital:		
Net movement in trade and other receivables	(5 984)	9 041
Net movement in trade and other payables	6 070	(54 722)
	<u>157 250</u>	<u>(164 801)</u>

10. Directors' remuneration

	Basic salary	Directors fees	Total
B.I. Lawson	-	104 800	104 800
L.J. Gildenhuis	533 275	-	533 275
	<u>533 275</u>	<u>104 800</u>	<u>638 075</u>

2022

Directors' emoluments

Services as director or prescribed officer

	Basic salary	Directors fees	Total
B.I. Lawson	-	116 000	116 000
L.J. Gildenhuis	507 881	-	507 881
	<u>507 881</u>	<u>116 000</u>	<u>623 881</u>

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

11. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Profit or Loss

Consulting fees	-	(118 000)
Project - Sunninghill Community	-	(704 743)
Employee costs	-	80 862
Directors remuneration	-	623 881

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Annual Financial Statements for the year ended 28 February 2023

Detailed Income Statement

Figures in Rand	Notes	2023	2022
Revenue			
Community subscriptions		4 485 516	4 212 430
Other income			
Donations - Grass cutting		6 995	43 750
Garden sponsorships		32 326	19 200
Income - Advertising		561	1 437
Income - Clearvu Fencing		-	38 376
Income - Traffic wardens		145 771	161 388
Insurance claim		94 800	11 875
Recoveries		2 250	-
		282 703	276 026
Operating expenses			
Accounting fees		(85 955)	(85 389)
Advertising		-	(3 050)
Auditors remuneration		(35 898)	(34 098)
Bank charges		(13 509)	(13 665)
Cleaning		(3 257)	(3 942)
Computer expenses		(24 001)	(22 617)
Consumables		(582)	-
Depreciation		(35 131)	(43 758)
Donations		-	(600)
Employee costs		(1 263 038)	(1 326 199)
Entertainment		(726)	(348)
Grass cutting		-	(41 130)
Insurance		(42 698)	(40 952)
Legal expenses		(5 320)	(1 466)
Motor vehicle expenses		(79 982)	(37 132)
Covid relief assistance		-	(5 043)
Printing and stationery		(16 043)	(13 984)
Projects - Gardening / Trees		(6 096)	(42 686)
Projects - Beautification		(400)	-
Projects - Image		(145)	(12 729)
Projects - Litter		(5 153)	(13 942)
Projects - Road		(1 255)	(225)
Projects - Security		(2 914 737)	(2 856 195)
Protective clothing		(6 119)	(3 673)
Repairs and maintenance		(14 316)	(10 339)
Staff welfare		(4 732)	(4 133)
Telephone		(26 189)	(27 796)
Training		-	(3 228)
Utilities		(3 719)	(3 015)
		(4 589 001)	(4 651 334)
Operating profit (loss)		179 218	(162 878)
Interest received		21 328	14 987
Profit (loss) for the year		200 546	(147 891)