



St Francis Bay Riparian Home Owners Association NPC
(Registration number 2006/017967/08)
Annual Financial Statements for the year ended 30 June 2020

These annual financial statements were prepared by:
D A Jackson

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008
Issued 6 October 2020

St Francis Bay Riparian Home Owners Association NPC

(Registration number 2006/017967/08)

Annual Financial Statements for the year ended 30 June 2020

General Information

Country of Incorporation and domicile	South Africa
Nature of business and principal activities	Managing and maintaining the canals in St Francis Bay, Eastern Cape, South Africa
Directors	STR Picton-Turberville (Chairman) B Morsink (Vice-Chairman) LC Fouché RBC Foulds NL Hulett GA Miller CL Northwood
Registered office	15 La Dique Place St Francis Bay 6312
Business address	15 La Dique Place St Francis Bay 6312
Postal address	Suite 133 Private Bag X3 St Francis Bay 6312
Bankers	Nedbank Limited
Auditors	Moore Registered Auditors
Company registration number	2006/017967/08
Tax reference number	9528/745/15/2

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Directors' Responsibilities and Approval

The directors are required by the Companies Act No. 71 of 2008, 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 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 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 principles consistently applied and supported by reasonable and prudent judgements and estimates.


The directors acknowledge that they are ultimately responsible for the system of internal 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 circumstance 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 withing predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanation given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the presentation 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 year ended 30 June 2021 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 auditors and their report is presented on pages 4 to 5.

The annual financial statements and supplementary information set out on pages 6 to 20, which have been prepared on a going concern basis, were approved by the board on 6 October 2020 and were signed on its behalf by:



Director
St Francis Bay, 6 Ocotber 2020



Director
St Francis Bay, 6 Ocotber 2020



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Independent Auditor's Report

To the shareholders of St Francis Bay Riparian Home Owners Association NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of St Francis Bay Riparian Home Owners Association NPC (the company) set out on 7 to 17, which comprise the statement of financial position as at 30 June 2020, and the statement of financial performance, 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 our opinion, the financial statements present fairly, in all material respects, the financial position of St Francis Bay Riparian Home Owners Association NPC as at 30 June 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

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 financial statements section of our report. We are 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. We have fulfilled our 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. 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 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 our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 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

Our 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 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 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 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 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 financial statements, including the disclosures, and whether the 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.

MOORE

**Moore
J Barnard
Director
Registered Auditor**

**06 October 2020
Humansdorp**

St Francis Bay Riparian Home Owners Association NPC

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of St Francis Bay Riparian Home Owners Association NPC for the year ended 30 June 2020.

1 Nature of business

St Francis Bay Riparian Home Owners Association NPC was incorporated in South Africa and manages the canals in St Francis Bay. The company operates in South Africa.

2 Review of financial results and activities

The annual financial statements are prepared in accordance with the 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 consistently applied compared to the prior year.

3 Directors

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

Directors

STR Picton-Turberville (Chairman)

B Morsink (Vice-chairman)

LC Fouché

RBC Foulds

NL Hulett

GA Miller

CL Northwood

4 Events during reporting period

On 11 March 2020 the World Health Organisation officially declared the coronavirus outbreak as a global pandemic. Management considered the impact of this on the business to be immaterial to the understanding of the financial statements. Currently it is not possible to provide an estimate of the impact of this event.

5 Events after 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.

6 Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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 that may affect the company.

7 Auditors

Moore continued in office as auditors for the company for 2020.

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Statement of Financial Position

	Notes	2020 R	2019 R
Assets			
Non - Current Assets			
Property, plant and equipment	2	679,274	779,986
Current Assets			
Trade and other receivables	3	1,305,446	59,265
Cash and cash equivalents	4	1,894,940	2,507,981
Current tax receivable		12,679	-
		<u>3,213,065</u>	<u>2,567,246</u>
Total Assets		<u>3,892,339</u>	<u>3,347,232</u>
Equity and Liabilities			
Equity			
Retained income		3,225,667	2,940,074
Liabilities			
Current Liabilities			
Current tax payable		-	14,041
Trade and other payables	5	626,672	356,917
Provisions	6	40,000	36,200
		<u>666,672</u>	<u>407,158</u>
Total Equity and Liabilities		<u>3,892,339</u>	<u>3,347,232</u>

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Statement of Comprehensive Income

	Notes	2020 R	2019 R
Revenue		3,543,367	3,256,870
Other income		56,800	93,072
Operating expenses		(3,386,334)	(3,256,724)
Operating profit	7	213,833	93,218
Investment revenue	8	107,261	100,063
Finance costs	9	(6,180)	(1,353)
Taxation	11	(29,321)	(36,896)
Other comprehensive income		-	-
		<u>285,593</u>	<u>155,032</u>

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Statement of Changes in Equity

	Retained Income R	Total Equity R
Balance at 1 July 2018	2,785,042	2,785,042
Profit for year ended 30 June 2019	155,032	155,032
Other comprehensive income	-	-
Balance at 30 June 2019	2,940,074	2,940,074
Balance at 1 July 2019	2,940,074	2,940,074
Profit for year ended 30 June 2020	285,593	285,593
Other comprehensive income	-	-
Balance at 30 June 2020	3,225,667	3,225,667

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Statement of Cash Flows

	Notes	2020 R	2019 R
Cash receipts from customers		2,886,910	3,739,476
Cash paid to suppliers and employees		(3,399,663)	(3,364,241)
Cash generated from operations	12	(512,753)	375,235
Interest received	8	107,261	100,063
Finance costs	9	(6,180)	(1,353)
Tax (paid) received	13	(56,041)	15,997
Net cash from operating activities		(467,713)	489,942
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(145,328)	(214,515)
Total cash movement for the year		(613,041)	275,427
Cash at beginning of the year		2,507,981	2,232,554
Total cash at end of year	4	1,894,940	2,507,981

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Accounting Policies

1 Presentation of annual financial statements

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, except as otherwise stated below, 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 are required to make critical judgements in applying policies from time to time. The judgements apart from those involving estimations, that have the most significant effect on the amounts recognised in the annual financial statements, are outlined as follows.

Key sources of estimation uncertainty

The following are key assumptions concerning the future, and other key sources of uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the year, the directors determined that the useful lives of all items of property, plant and equipment are reasonable, and no changes were made.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Cost includes costs incurred initially to acquire or construct an item 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 replacement 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
Boat	Straight-line	5 years
Plant and machinery	Straight-line	5 to 10 years
Office equipment	Straight-line	5 years
IT equipment	Straight-line	5 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

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Accounting Policies

1.3 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 value 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 instrument method. Debt instruments which are classified as current assets or current liabilities are 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, and an impairment loss is recognised immediately in profit and loss.

1.4 Tax

Current tax assets and liabilities

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

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax asset balances are reviewed at every reporting date. When necessary, a valuation allowance is recognised against the deferred tax assets so that the net amount equals the highest amount that is more likely than not to be realised on the basis of current future taxable profit.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

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Accounting Policies

1.5 Provisions

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 Impairment of assets

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

If there is any such indication, the recoverable amount of any affected asset (or group of assets) 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 (or group of related assets) 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 (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.8 Revenue

Revenue is recognised to the extent the company has transferred the significant risks and rewards of ownership of the 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 tax and discounts.

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

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Notes to the Annual Financial Statements

	2020			2019		
	R			R		
2 Property, plant and equipment						
		2020	Carrying		2019	Carrying
	Cost	Accumulated depreciation	value	Cost	Accumulated depreciation	value
Plant and machinery	1,277,816	(887,695)	390,121	1,277,816	(695,529)	582,287
Office equipment	80,831	(40,461)	40,370	80,049	(26,507)	53,542
IT equipment	32,239	(17,799)	14,440	23,544	(12,953)	10,591
Boat	330,697	(96,354)	234,343	194,847	(61,281)	133,566
	<u>1,721,583</u>	<u>(1,042,309)</u>	<u>679,274</u>	<u>1,576,256</u>	<u>(796,270)</u>	<u>779,986</u>

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	582,287	-	-	(192,166)	390,121
Office equipment	53,542	782	-	(13,954)	40,370
IT equipment	10,591	8,696	-	(4,847)	14,440
Boat	133,566	135,850	-	(35,073)	234,343
	<u>779,986</u>	<u>145,328</u>	<u>-</u>	<u>(246,040)</u>	<u>679,274</u>

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	685,360	105,250	(2,376)	(205,947)	582,287
Office equipment	52,298	14,950	(179)	(13,527)	53,542
IT equipment	8,511	5,433	-	(3,353)	10,591
Boat	81,299	88,882	(4,355)	(32,260)	133,566
	<u>827,468</u>	<u>214,515</u>	<u>(6,910)</u>	<u>(255,087)</u>	<u>779,986</u>

3 Trade and other receivables

Trade receivables	1,305,446	56,830
Staff loans	-	2,435
	<u>1,305,446</u>	<u>59,265</u>

4 Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	-	18,813
Bank current account	53,381	841,980
Bank investment account	1,841,559	1,647,188
	<u>1,894,940</u>	<u>2,507,981</u>

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Notes to the Annual Financial Statements

	2020	2019
	R	R
5 Trade and other payables		
Trade payables	202,873	18,942
Accruals	105,916	-
SARS - PAYE	23,334	19,962
SARS - VAT	32,110	55,574
Overpayment from Kouga Municipality	262,439	262,439
	<u>626,672</u>	<u>356,917</u>
6 Provisions		
Audit fees		
Opening balance	36,200	33,500
Additions	40,000	36,200
Utilised during the year	(36,200)	(33,500)
Total	<u>40,000</u>	<u>36,200</u>
<p>The timing of the outflow of economic benefits with regard to the audit fee provision is expected to be within 12 months.</p>		
7 Operating profit		
<p>Operating profit for the year is stated after accounting for the following:</p>		
Loss on disposal of property, plant and equipment	-	6,910
Depreciation	246,040	255,087
Employee costs	1,736,453	1,427,098
	<u>1,736,453</u>	<u>1,427,098</u>
8 Investment revenue		
Interest received:		
Bank investment account	107,261	100,063
	<u>107,261</u>	<u>100,063</u>
9 Finance costs		
Trade and other payables	160	-
South African Revenue Services	6,020	1,353
	<u>6,180</u>	<u>1,353</u>
10 Auditors remuneration		
Audit fees	40,000	36,200
Tax and secretarial services	-	2,100
	<u>40,000</u>	<u>38,300</u>

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	2020 R	2019 R
11 Taxation		
Major components of the tax (income) expense		
Current		
Local income tax - current period	29,321	36,896
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense		
Accounting profit		
Tax at the applicable rate of 28% (2019: 28%)	314,914	191,928
	88,176	53,740
Tax effect of adjustments on taxable income		
Non taxable income	(992,143)	(867,849)
Non deductible expenditure	947,288	865,005
Exemption	(14,000)	(14,000)
	29,321	36,896
12 Cash generated from operations		
Profit before taxation	314,914	191,928
Adjustments for:		
Loss on disposal of assets	-	6,909
Depreciation	246,040	255,086
Interest received	(107,261)	(100,063)
Finance costs	6,180	1,353
Movement in provisions	3,800	2,700
Changes in working capital:		
(Increase) / Decrease in trade and other receivables	(1,246,181)	143,813
Increase / (Decrease) in trade and other payables	269,755	(126,491)
	(512,753)	375,235
13 Tax paid		
Balance at beginning of year	(14,041)	38,852
Current tax for the year recognised in profit or loss	(29,321)	(36,896)
Balance at end of year	(12,679)	14,041
Tax paid for the year	(56,041)	15,997

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Notes to the Annual Financial Statements

14 Financial instruments by category	Notes	Amortised cost	Total
Categories of financial assets			
2020			
Trade and other receivables	3	1,305,446	1,305,446
Cash and cash equivalents	4	1,894,940	1,894,940
		<u>3,200,386</u>	<u>3,200,386</u>
2019			
Trade and other receivables	3	59,265	59,265
Cash and cash equivalents	4	2,507,981	2,507,981
		<u>2,567,246</u>	<u>2,567,246</u>
Categories of financial liabilities			
2020			
Trade and other payables	5	571,228	571,228
		<u>571,228</u>	<u>571,228</u>
2019			
Trade and other payables	5	281,381	281,381
		<u>281,381</u>	<u>281,381</u>

15 Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

	2020	2019
Profit or Loss		
Revenue	-	(157,408)
Operating expenses	-	157,408

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Annual Financial Statements for the year ended 30 June 2020

Detailed Income Statement

	Notes	2020 R	2019 R
Revenue			
Levies - Boats		1,599,805	1,344,830
Levies - General		1,483,812	1,451,621
Levies - Moorings		459,750	460,419
		<u>3,543,367</u>	<u>3,256,870</u>
Other Income			
Recoveries		56,800	48,000
Sundry income		-	4,892
Insurance claims		-	40,180
Investment revenue	8	107,261	100,063
		<u>164,061</u>	<u>193,135</u>
Expenses (Refer to page 20)		<u>(3,386,334)</u>	<u>(3,256,724)</u>
Operating profit		321,094	193,281
Finance costs	9	6,180	1,353
Taxation	11	29,321	36,896
		<u>285,593</u>	<u>155,032</u>

St Francis Bay Riparian Home Owners Association NPC

(Registration number 2006/017967/08)

Annual Financial Statements for the year ended 30 June 2020

Detailed Income Statement

	Notes	2020 R	2019 R
Operating expenses			
Accounting fees		110,030	90,416
Advertising and signage		13,069	26,874
Annual returns		1,100	150
Auditors remuneration	10	40,000	38,300
Bank charges		59,970	62,034
Boat repairs and maintenance		29,243	87,150
Canal maintenance		183,236	152,431
Cleaning		2,284	3,607
Computer expenses		13,030	12,489
Consulting fees		13,110	1,960
Depreciation		246,040	255,087
Dredger expenses		359,543	377,932
Employee costs		1,736,453	1,427,098
Entertainment		9,505	10,046
First aid		452	156
General repairs and maintenance		83,368	125,469
Health and safety		23,641	-
Insurance		82,408	70,888
Jetty repairs		-	9,247
Handling fees 5% Kouga		177,168	157,408
Licences and permits		5,509	7,294
Loss on disposal of property, plant and equipment		-	6,910
Meeting expenses		-	2,843
Motor vehicle expenses		40,298	47,874
Office expenses		6,522	40,431
Penalties - SARS		43,819	8,547
Petrol and oil		21,487	24,079
Postage		96	885
Printing and stationery		40,436	25,897
Protective uniforms		7,222	16,591
Small tools		3,009	-
Telephone and internet		28,262	17,909
Theft		-	146,060
Training		4,774	2,662
Water samples		1,250	-
		3,386,334	3,256,724

St Francis Bay Riparian Home Owners Association NPC

(Registration number 2006/017967/08)

Annual Financial Statements for the year ended 30 June 2020

Tax Computation

	Notes	2020 R	2019 R
Net profit per income statement		314,914	191,928
Permanent differences			
Other income exemption		(50,000)	(50,000)
Expenses attributable to exempt income		3,383,170	3,089,305
Exempt income		(3,543,367)	(3,099,462)
Taxable income for year		<u>104,717</u>	<u>131,771</u>
Tax thereon @ 28%		<u>29,321</u>	<u>36,896</u>
Reconciliation of tax balance			
Amount owing at the beginning of the year		14,041	38,851
Interest		117	-
Amount refunded in respect of prior year		<u>(14,158)</u>	<u>(38,851)</u>
		<u>-</u>	<u>-</u>
Tax (prepaid) owing for the current year			
Normal tax			
Per calculation		29,321	36,896
1st Provisional		-	(7,163)
2nd Provisional		<u>(42,000)</u>	<u>(15,692)</u>
		<u>(12,679)</u>	<u>14,041</u>