

**HURLEYVALE EAST AND BUURDENDAL RESIDENTS ASSOCIATION  
ANNUAL FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

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

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# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Director's Responsibilities and Approval

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The director is required by the Companies Act of South Africa, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial period 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 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 director acknowledges that he is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director 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 director is 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 director has reviewed the company's cash flow forecast for the period to 28 February 2023 and, in the light of this review and the current financial position, he is satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on page 4, which have been prepared on the going concern basis, were approved by the board on 04 October 2021 and were signed on its behalf by:

\_\_\_\_\_  
Director



## Practitioner's Compilation Report

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### To the Management of Hurleyvale East and Buurdendal Residents Association

We have compiled the annual financial statements of Hurleyvale East and Buurdendal Residents Association, as set out on pages 4 - 9, based on information you have provided. These annual financial statements comprise the statement of financial position of Hurleyvale East and Buurdendal Residents Association as at 31 August 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

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**C. Govender**  
**Professional Accountant (SA)**  
**SAIPA (51400)**

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Statement of Financial Position as at 31 August 2021

Figures in Rand	Note(s)	31 August 2021
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	2	101 287
<b>Total Assets</b>		<b>101 287</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Retained income		107 258
<b>Total Equity and Liabilities</b>		<b>107 258</b>

# Hurleyvale East and Buurdendal Residents Association

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## Statement of Comprehensive Income

Figures in Rand	Note(s)	6 months ended 31 August 2021
Revenue		439 211
Other income		10 160
Operating expenses		(393 075)
<b>Operating profit</b>		<b>56 296</b>
Investment revenue		412
<b>Profit for the period</b>		<b>56 708</b>
Other comprehensive income		-
<b>Total comprehensive income for the period</b>		<b>56 708</b>

# Hurleyvale East and Buurdendal Residents Association

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## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 March 2021</b>	<b>50 550</b>	<b>50 550</b>
Profit for the period	56 708	56 708
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>56 708</b>	<b>56 708</b>
<b>Balance at 31 August 2021</b>	<b>107 258</b>	<b>107 258</b>

Note(s)

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Statement of Cash Flows

Figures in Rand	Note(s)	6 months ended 31 August 2021
<b>Cash flows from operating activities</b>		
Cash generated from operations	3	56 296
Interest income		412
<b>Net cash from operating activities</b>		<b>56 708</b>
<b>Total cash movement for the period</b>		<b>56 708</b>
Cash at the beginning of the period		50 550
<b>Total cash at end of the period</b>	2	<b>107 258</b>

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Accounting Policies

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### 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 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 cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

#### 1.2 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.

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Notes to the Annual Financial Statements

6 months  
ended  
31 August  
2021

Figures in Rand

### 2. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	20 237
Short-term deposits	81 050
	<b>101 287</b>

### 3. Cash generated from operations

Profit before taxation	56 708
<b>Adjustments for:</b>	
Interest received	(412)
	<b>56 296</b>

# Hurleyvale East and Buurdendal Residents Association

Annual Financial Statements for the period ended 31 August 2021

## Detailed Income Statement

Figures in Rand	Note(s)	6 months ended 31 August 2021
<b>Revenue</b>		
Rendering of services		439 211
<b>Other income</b>		
Fundraising and Events		10 160
<b>Operating expenses</b>		
Bank charges		(3 961)
Events		(8 840)
Insurance		(8 112)
Printing and stationery		(144)
Repairs and maintenance		(1 300)
Security		(370 718)
		<b>(393 075)</b>
<b>Operating profit</b>		
Investment income		412
<b>Profit for the period</b>		
		<b>56 708</b>