

NATURES VALLEY SRA NPC
(Registration number 2023/713537/08)
Annual financial statements
for the year ended 30 June 2024

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

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

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The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	13 - 14
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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

Preparer

Parker and Accountants (Pty) Ltd
Chartered Accountants (SA)

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

General Information

Country of incorporation and domicile	South Africa
Company registration number	2023/713537/08
Registration Date	26 April 2023
Nature of business and principal activities	The non-profit company works with various stakeholders to enhance and supplement the municipal services provided by the Municipality within the public areas of Natures Valley, with particular emphasis on baboon monitoring, security and verge clearing.
Directors	RA Nichol (Chairman) JF Martin (Finance) AP Richards
Registered office	388 Lagoon Drive Natures Valley Plettenberg Bay 6600
Bankers	Standard Bank South Africa
Tax reference number	9386254222
PAYE Registration number	7060825793
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: Parker and Accountants (Pty) Ltd TH11 Thesen Hartbour Town Long Street Knysna 6570
Independant auditors	MPK Chartered Accountants Inc. Lindi Leibbrandt Chartered Accountants (SA) Registered Auditor 12 Clyde Street Knysna 6570

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

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.

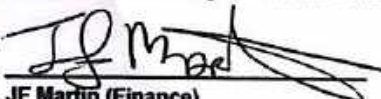
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, they set standards for internal 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 year to 30 June 2025 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 annual financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved by the directors on 19 September 2024 and were signed on their behalf by:


RA Nichol (Chairman)


JF Martin (Finance)

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Directors' Report

The directors submit their report on the annual financial statements of Natures Valley SRA NPC for the year ended 30 June 2024.

1. Nature of business

The non-profit company works with various stakeholders to enhance and supplement the municipal services provided by the Bitou Municipality within the public areas of Natures Valley, with particular emphasis on baboon monitoring, security and verge clearing. The 2024 financial year is the non-profit company's first year of operation.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards 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.

3. Directors

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

Directors	Changes
RA Nichol (Chairman)	Appointed 26 April 2023
JF Martin (Finance)	Appointed 26 April 2023
AP Richards	Appointed 26 April 2023

4. 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.

5. 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 which may affect the company.

6. Auditors

MPK Chartered Accountants Inc. were the Independent auditor for the year under review.

Independent Auditor's Report

To the Members of Natures Valley SRA NPC

Opinion

We have audited the annual financial statements of Natures Valley SRA NPC set out on pages 7 to 12, which comprise the statement of financial position as at 30 June 2024, statement of comprehensive income, statement of changes in equity and cash flow statement 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 Natures Valley SRA NPC as at 30 June 2024, 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.

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.

DIRECTORS:

PB MICHAELIDES B COM HONS CA(SA) CA KRETMANN B COM RAT (LAW) (HONS) CA(SA) T FACTOR B COM (HONS) CA(SA) L LEIBRANDT B COMPT PGDIP AAS CA(SA)

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.

Lindi Leibbrandt
Director: MPK Chartered Accountants Inc.
Chartered Accountants (SA)
Registered Auditors

19 September 2024
Knysna

DIRECTORS:

PB MICHAELIDES B COM HONS CA(SA) CA KRETZMANN B COM RAT (LAW) (HONS) CA(SA) T FACTOR B COM (HONS) CA(SA) L LEIBBRANDT B COMPT PGDIP AAS CA(SA)

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

	Note(s)	2024 R
Assets		
Current Assets		
Trade and other receivables	2	238,091
Cash and cash equivalents	3	256,993
		<u>495,084</u>
Total Assets		<u>495,084</u>
Equity and Liabilities		
Equity		
Accumulated surplus		<u>445,518</u>
Liabilities		
Current Liabilities		
Trade and other payables	4	49,566
Total Equity and Liabilities		<u>495,084</u>

Natures Valley SRA NPC
Annual Financial Statements for the year ended 30 June 2024

Statement of Comprehensive Income

	Note(s)	2024 R
Revenue		1,348,339
Operating expenses		(916,290)
Operating surplus		432,049
Investment revenue	6	13,469
Surplus for the year		445,518

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Surplus for the year	445,518	445,518
Balance at 30 June 2024	445,518	445,518

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

	Note(s)	2024 R
Cash flows from operating activities		
Cash receipts from levies		1,110,248
Cash paid to suppliers and employees		(866,724)
Cash generated from operations	8	243,524
Interest income	8	13,469
Net cash from operating activities		256,993
Total cash movement for the year		256,993
Total cash at end of the year	3	256,993

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

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.

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 amortised cost

These include loans, trade receivables and trade payables. They 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.

1.2 Tax

Current tax assets and liabilities

The company 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.

1.3 Revenue

Levies and recoveries are recognised as revenue once owners are invoiced.

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.

Natures Valley SRA NPC

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Notes to the Annual Financial Statements

2024
R

2. Trade and other receivables

Trade receivables - Bitou Municipality	226,944
Prepayments	11,147
	<u>238,091</u>

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	<u>256,993</u>
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4. Trade and other payables

Trade payables	33,157
Workmens Compensation Fund	940
SARS EMP201	519
Audit fees	14,950
	<u>49,566</u>

5. Auditor's remuneration

Fees	<u>14,950</u>
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6. Investment revenue

Interest revenue	
Bank	<u>13,469</u>

7. Taxation

Non provision of tax

No provision has been made for 2024 tax as the company has no taxable income.

8. Cash generated from operations

Net profit before taxation	445,518
Investment income	(13,469)
Changes in working capital:	
(Increase) decrease in trade and other receivables	(238,091)
Increase (decrease) in trade and other payables	49,566
	<u>243,524</u>

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Detailed Income Statement

	Note(s)	2024 R
Revenue		
Gross levies		1 419 304
Less: Provision for administration fees (3%)		(42 579)
Less: Provision for bad debts (2%)		(28 386)
Nett levies received		1 348 339
Operating expenses (Refer to page 15)		(916 290)
Operating surplus		432 049
Investment income	6	13 469
Surplus for the year		445 518

Natures Valley SRA NPC

Annual Financial Statements for the year ended 30 June 2024

Detailed Income Statement

	Note(s)	2024 R
Baboon monitors		
Employee costs		228 347
Equipment		12 078
Paintball guns and ammunition		36 624
Radio rental and airtime		13 136
Repairs and maintenance		10 789
Transport		68 354
Uniforms		58 038
		427 366
Security		
Security cameras		121 612
		121 612
Verge clearing		
Employee costs		45 910
Equipment		91 555
Repairs and maintenance		5 968
		143 433
Administration and other expenses		
Accounting fees		42 521
Bank charges		1 112
General Expenses		1 385
Independent audit fees		14 950
Insurance		735
Management fees - Natures Valley Ratepayers Association		70 869
Office equipment		9 698
Office rental		19 757
Printing and stationery		2 267
Professional fees		5 936
SRA incorporation and setup expenses		52 463
Website costs		2 185
		223 879
Operating Expenses		916 290