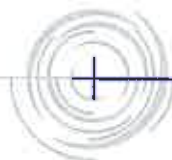


**CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

These financial statements have been audited in compliance with the applicable requirements of the Sectional
Titles Act, 1986 (Act No. 95 of 1986).



EXCEED[®]

CHARTERED ACCOUNTANTS (SA)

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Homeowners association as set out in section 5 of the constitution
TRUSTEES	P van der Berg (Chairman) L Petra (Vice Chairman) F Wheeler G Nagel R van Eck R Steinhoffel J Gerber
LOCATION OF COMPANY RECORDS	Unit 1 Croydon Vineyard Estate Croydon SOMERSET WEST 7130
REGISTERED OFFICE	Unit 1 Croydon Vineyard Estate Croydon SOMERSET WEST 7130
POSTAL ADDRESS	Unit 1 Croydon Vineyard Estate Croydon 7130
AUDITORS	Exceed (Cape Town) Inc Chartered Accountants (S.A.) Registered Auditors
LEVEL OF ASSURANCE	These financial statements have been audited in compliance with the applicable requirements of the Sectional Titles Act, 1986 (Act No. 95 of 1986).
PREPARER	The financial statements were independently compiled by: GA van Rhyn CA (S.A.)
PUBLISHED	<hr/>

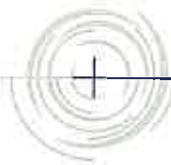
CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

INDEX

The reports and statements set out below comprise the financial statements presented to the board of trustees:

INDEX	Page
Independent Auditor's Report	3 - 4
Trustees' Responsibilities and Approval	5
Trustees' Report	6
Statement of Financial Position	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 14
Notes to the Financial Statements	15 - 21
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Statement of Financial Performance	22 - 23
Tax Computation	24



EXCEED[®]

CHARTERED ACCOUNTANTS (SA)

JOHANNESBURG • CAPE TOWN • LONDON

OLD OAK OFFICE PARK, C/O OLD OAK & DURBAN ROAD
BELLVILLE, 7530

PO BOX 5710
TYGER VALLEY, 7536

TEL: +27 21 915 6666

FAX: +27 21 915 6660

E-MAIL: tygervalley@exceed.co.za

WEBSITE: www.tenkloubser.co.za

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF TRUSTEES OF CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

We have audited the financial statements of Croydon Vineyard Estate Homeowners Association, as set out on pages 7 to 21, which comprise the statement of financial position as at 31 May 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The homeowners association's trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Sectional Titles Act, 1986 (Act No. 95 of 1986), and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 body corporate's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Croydon Vineyard Estate Homeowners Association as at 31 May 2015, 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 Sectional Titles Act, 1986 (Act No. 95 of 1986).

Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 22 to 24 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Exceed Inc

EXCEED (CAPE TOWN) INC
Chartered Accountants (S.A.)
Registered Auditors
Director: GA van Rhyn
TYGER VALLEY

28 | 01 | 2016

DATE

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2016

TRUSTEES' RESPONSIBILITIES AND APPROVAL

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the homeowners association 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 financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the homeowners association and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees 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 homeowners association and all employees are required to maintain the highest ethical standards in ensuring the homeowners association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the homeowners association is on identifying, assessing, managing and monitoring all known forms of risk across the homeowners association. While operating risk cannot be fully eliminated, the body corporate endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the homeowners association's cash flow forecast for the year to 31 May 2016 and, in the light of this review and the current financial position, they are satisfied that the homeowners association 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 homeowners association's financial statements. The financial statements have been examined by the homeowners association's external auditors and their report is presented on pages 3 to 4.

The financial statements set out on pages 6 to 21, which have been prepared on the going concern basis, were approved by the trustees on 28/01/2016 and were signed on their behalf by:



P VAN DER BERG (CHAIRMAN)



L PETRA (VICE CHAIRMAN)

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

TRUSTEES' REPORT

The trustees submit their report for the year ended 31 May 2015.

1. REVIEW OF ACTIVITIES

Main business and operations

The homeowners association is engaged in operations as set out in section 5 of the constitution and operates principally in South Africa.

The operating results and state of affairs of the body corporate are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. GOING CONCERN

The trustees believe that the association has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the association. The trustees 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 association.

3. EVENTS AFTER THE REPORTING PERIOD

The trustees are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

4. NON-CURRENT ASSETS

There were no major changes in the nature of the non-current assets of the association during the year under review.

5. TRUSTEES

The trustees of the body corporate during the year and to the date of this report are as follows:

Name	Resigned/Elected 16 May 2015
P van der Berg (Chairman)	
L Petra (Vice Chairman)	
F Wheeler	
G Nagel	
R van Eck	
R Steinhoffel	
J Gerber	Elected
S Warren	Resigned

6. AUDITORS

Exceed (Cape Town) Inc will continue in office.

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

STATEMENT OF FINANCIAL POSITION

	Notes	2015 R	2014 R
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	2	474 526	152 290
Deferred tax	3	73 515	-
		548 041	152 290
CURRENT ASSETS			
Trade and other receivables	4	975 667	938 317
Other financial assets	5	421 548	3 641 122
Current tax receivable		505 055	611 562
Cash and cash equivalents	6	3 529 796	322 710
		5 432 066	5 513 711
Total Assets		5 980 107	5 666 001
EQUITY AND LIABILITIES			
OWNERS' FUNDS AND RESERVES			
Capital development fund		3 457 936	-
Accumulated surplus	7	922 185	3 606 475
		4 380 121	3 606 475
LIABILITIES			
NON-CURRENT LIABILITIES			
Finance lease liabilities	10	290 132	-
Deferred tax	3	-	977 014
		290 132	977 014
CURRENT LIABILITIES			
Finance lease liabilities	10	45 939	-
Trade and other payables	11	1 263 915	1 082 512
		1 309 854	1 082 512
Total Liabilities		1 599 986	2 059 526
Total Equity and Liabilities		5 980 107	5 666 001

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2015 R	2014 R
Revenue	12	9 675 983	7 012 207
Cost of sales		-	(14 968)
Gross surplus		9 675 983	6 997 239
Other income	13	3 616 904	255 998
Operating expenses		(10 152 659)	(7 492 622)
Operating surplus (deficit)	14	3 140 228	(239 385)
Investment revenue	15	318 350	77 490
Fair value adjustments	16	(3 447 914)	(90 523)
Finance costs	17	(43 750)	(5 016)
Deficit before taxation		(33 086)	(257 434)
Taxation	18	806 732	377 372
Surplus for the year		773 646	119 938
Other comprehensive income		-	-
Total comprehensive income for the year		773 646	119 938

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

STATEMENT OF CHANGES IN EQUITY

	Notes	Capital development fund R	Accumulated surplus R	Total equity R
Balance at 01 June 2013		-	3 486 537	3 486 537
Surplus for the year		-	119 938	119 938
Balance at 01 June 2014		-	3 606 475	3 606 475
Surplus for the year		-	773 646	773 646
Transfer to capital development fund		3 447 914	(3 447 914)	-
Capital expenditure from fund	8	(128 766)	128 766	-
Recoveries of capital expenditure	9	138 788	(138 788)	-
Total changes		3 457 936	(3 457 936)	-
Balance at 31 May 2015		3 457 936	922 185	4 380 121

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

STATEMENT OF CASH FLOWS

	Notes	2015 R	2014 R
Cash flows from operating activities			
Cash receipts from customers		9 638 636	8 082 156
Cash paid to suppliers and employees		(6 294 052)	(7 927 593)
Cash generated from operations	19	3 344 584	154 563
Interest income		318 350	50 468
Finance costs		(43 750)	(5 016)
Tax paid		(137 290)	(78 400)
Net cash from operating activities		3 481 894	121 615
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(382 539)	(66 843)
Purchase of financial assets		(100)	-
Loans advanced to related parties		(228 240)	(190 928)
Net cash from investing activities		(610 879)	(257 771)
Cash flows from financing activities			
Finance lease receipts		336 071	-
Total cash movement for the year		3 207 086	(136 156)
Cash at the beginning of the year		322 710	458 866
Total cash at end of the year	6	3 529 796	322 710

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. The 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 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, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

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

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an item of property, 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 property, plant and equipment, the carrying amount of the replaced 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, which is as follows:

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

Item	Average useful life
Motor vehicles	5 years
Office equipment	5 years
Furniture and fittings	6 years
Computer equipment	3 -15 years
Gymnasium equipment	10 years
Other fixed assets	3 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the initial cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

ACCOUNTING POLICIES

1.2 FINANCIAL INSTRUMENTS

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through surplus and deficit.

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.

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 losses and 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 or future taxable profit.

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

ACCOUNTING POLICIES

1.3 TAX (continued)

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.

The homeowners association is taxed in terms of Section 10(1)(e) of the Income Tax Act.

1.4 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

Operating leases - lessor

Operating lease income is recognised as an income on they are incurred unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

1.5 IMPAIRMENT OF ASSETS

The body corporate assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related 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 surplus or deficit.

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 surplus or deficit.

1.6 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.

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

ACCOUNTING POLICIES

1.7 REVENUE

Revenue is recognised to the extent that the body corporate 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 body corporate. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The Stage of completion is determined by surveys of work performed. When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.8 BORROWING COSTS

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

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

2015
R

2014
R

2. PROPERTY, PLANT AND EQUIPMENT

	2015			2014		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fittings	17 860	(8 545)	9 315	17 860	(5 569)	12 291
Motor vehicles	69 375	(33 375)	36 000	69 375	(33 375)	36 000
Office equipment	13 305	(10 838)	2 467	13 305	(8 177)	5 128
Computer equipment	391 901	(54 017)	337 884	37 701	(22 439)	15 262
Other fixed assets	61 220	(30 928)	30 292	32 881	(15 548)	17 333
Gymnasium equipment	77 074	(18 506)	58 568	77 074	(10 798)	66 276
Total	630 735	(156 209)	474 526	248 196	(95 906)	152 290

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Furniture and fittings	12 291	-	(2 976)	9 315
Motor vehicles	36 000	-	-	36 000
Office equipment	5 128	-	(2 661)	2 467
Computer equipment	15 262	354 200	(31 578)	337 884
Other fixed assets	17 333	28 339	(15 380)	30 292
Gymnasium equipment	66 276	-	(7 708)	58 568
	152 290	382 539	(60 303)	474 526

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Furniture and fittings	8 928	5 499	(2 136)	12 291
Motor vehicles	49 950	-	(13 950)	36 000
Office equipment	7 788	-	(2 660)	5 128
Computer equipment	2 984	20 501	(8 223)	15 262
Other fixed assets	28 295	-	(10 962)	17 333
Gymnasium equipment	31 099	40 843	(5 666)	66 276
	129 044	66 843	(43 597)	152 290

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

2015
R

2014
R

Property, plant and equipment

Common property

Erven 1338, 1340, 1347, 1371, 1372, 1392, 1407, 1408, 1409, 1410, 1438, 1440, 1451, 1459, 1472, 1483, 1492, 1499, 1509, 1517, 1549, 1558, 1566, 1574 was transferred to the Homeowners Association between 4 January 2006 and 19 June 2006. These erven were transferred due to the fact that they include common features such as the Lifestyle centre, roads, vineyards and security buildings.

In addition to this, the following classes of assets were transferred to the Homeowners Association during the previous financial years at a zero net book value by the developers of the Croydon Vineyard Estate, Realty Dynamix 16 (Pty) Ltd:

- Buildings:	Building Construction
- Buildings:	Civil Engineering
- Plant and equipment:	Vineyard Construction
- Plant and equipment:	General landscaping
- Plant and equipment:	Winemaking
- Equipment:	Security assets
- Equipment:	Electronic equipment
- Equipment:	Gym equipment
- Equipment:	Kitchen equipment
- Office equipment:	Various
- Vehicles and machinery:	Various
- Furniture:	Fittings to Lifestyle centre

A fixed asset register is available for inspection at the registered office of the association.

Pledged as security

Carrying value of assets pledged as security as per note 8:

Computer equipment	329 449	-
--------------------	---------	---

3. DEFERRED TAX

Deferred tax liability

Temporary differences on tax losses available for set off against future taxable income	84 861	-
Originating temporary differences on other financial assets	-	(965 415)
Accelerated capital allowance for tax purposes on fixed assets	(11 346)	(11 599)
Total deferred tax liability	73 515	(977 014)

Reconciliation of deferred tax asset \ (liability)

At beginning of year	(977 014)	(897 841)
Originating temporary differences on tax losses available	84 861	-
Reversing/(Originating) temporary differences on self insurance assets	965 415	(79 024)
Reversing/(Originating) temporary difference on tangible fixed assets	253	(149)
	73 515	(977 014)

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

	2015 R	2014 R
4. TRADE AND OTHER RECEIVABLES		
Trade receivables	975 667	938 317
5. OTHER FINANCIAL ASSETS		
At fair value		
Self insurance contract	-	3 447 914
Equity Instruments at cost		
Croydon Wine Company (Pty) Ltd	100	-
At amortised cost		
Croydon Wine Company (Pty) Ltd	-	-
- Working Capital	350 000	200 000
- Other	71 448	(6 792)
	421 448	193 208
Total other financial assets	421 548	3 641 122

The loan is secured by the ceded revenue from the Bulk wine sales by Croydon Wine Company (Pty) Ltd, bears interest at 9% and has no fixed terms of repayment. No material repayments are expected in the twelve months after year end.

Current assets

At fair value	-	3 447 914
Equity Instruments at cost	100	-
At amortised cost	421 448	193 208
	421 548	3 641 122

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Petty Cash	2 091	1 106
Bank balances	171 649	116 660
Short-term deposits	3 356 056	204 223
Other cash and cash equivalents	-	721
	3 529 796	322 710

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

	2015 R	2014 R
7. RETAINED INCOME		
Retained profits	922 184	531 311
Accumulated fair value adjustments on self insurance contract	-	3 075 163
	922 184	3 606 474

We refer you to note 5 and note 16 regarding the self insurance contract.

8. CAPITAL DEVELOPMENT FUND: EXPENDITURE

	2015		2014	
	Assets	Equity	Assets	Equity
Security gate motor	4 865	607	-	-
Projector	5 384	316	-	-
Bush cutter	12 403	4 764	-	-
Replant of agapanthus	-	86 297	-	-
Sidewalk upgrade	-	19 032	-	-
Bird protection	-	17 750	-	-
	22 652	128 766	-	-

9. CAPITAL DEVELOPMENT FUND: RECOVERIES

Administration	30 302	-
Electricity	10 857	-
Landscaping	64 295	-
Security	33 334	-
	138 788	-

10. FINANCE LEASE LIABILITIES

Minimum lease payments which fall due

- within one year	125 583	-
- in second to fifth year inclusive	324 421	-
	450 004	-
Less: future finance charges	(113 933)	-
Present value of minimum lease payments	336 071	-
Non-current liabilities	290 132	-
Current liabilities	45 939	-
	336 071	-

It is homeowners association policy to lease certain computer equipment under finance leases.

Interest rates are fixed at the contract date. All leases have fixed repayments and include a purchase option.

The homeowners association's obligations under finance leases are secured by the leased assets. Refer note 2.

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

	2015 R	2014 R
11. TRADE AND OTHER PAYABLES		
Deposits	274 020	221 000
Other payables	19 708	19 708
South African Revenue Services - VAT	169 314	488 134
Trade payables	800 873	353 670
	1 263 915	1 082 512
12. REVENUE		
Additional levy income	693 661	790 125
Function income	-	61 745
Legal fees recovered	51 000	22 373
Levy income	4 194 477	3 355 239
Other recoveries	283 876	92 161
Penalty levy	788 181	237 686
Rendering of services - Water and electricity	3 363 228	2 176 307
Rental Income	248 546	262 767
Trustee's discretionary fund	53 014	13 805
	9 675 983	7 012 208
13. OTHER INCOME		
Insurance recoveries	5 000	25 455
Self insurance claims	3 553 008	200 000
Sundry income	58 896	30 543
	3 616 904	255 998
14. OPERATING SURPLUS (DEFICIT)		
Operating surplus for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	60 303	43 597
Employee costs	1 522 082	1 098 573
15. INVESTMENT REVENUE		
Interest revenue		
Bank	113 732	3 871
Croydon Wine Company (Pty) Ltd	30 896	-
SARS	22 108	27 022
Trade receivables	151 614	46 597
	318 350	77 490
16. FAIR VALUE ADJUSTMENTS		
Self insurance contract	(3 447 914)	(90 523)

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

	2015 R	2014 R
17. FINANCE COSTS		
Bank	-	5 016
Finance lease	43 750	-
	43 750	5 016
18. TAXATION		
Major components of the tax income		
Current		
Local income tax - current period		108 760
Local income tax - recognised in current tax for prior periods	243 797	(565 305)
	243 797	(456 545)
Deferred		
Originating temporary differences on tax losses available	(84 861)	-
(Reversing)/Originating temporary differences on self insurance assets	(965 415)	79 024
(Reversing)/Originating temporary differences on tangible assets	(253)	149
	(1 050 529)	79 173
	(806 732)	(377 372)
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting deficit	(33 086)	(257 434)
Tax at the applicable tax rate of 28% (2014: 28%)	(9 264)	(72 081)
Tax effect of adjustments on taxable income		
Expenses subject to the income tax act section 10(1)(e)(i)	1 567 305	1 452 898
Income subject to the income tax act section 10(1)(e)(i)	(1 589 369)	(1 227 254)
Exemption subject to income tax act section 10(1)(e)(ii)	(14 000)	(14 000)
Non taxable receipt	(1 708)	-
Non taxable interest	(8 651)	-
Self insurance VAT adjustment	-	104 370
Exempt self insurance receipt	(994 842)	(56 000)
Prior period adjustment	243 797	(565 305)
	(806 732)	(377 372)

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

NOTES TO THE FINANCIAL STATEMENTS

	2015 R	2014 R
19. CASH GENERATED FROM OPERATIONS		
Deficit before taxation	(33 086)	(257 434)
Adjustments for:		
Depreciation and amortisation	60 303	43 597
Interest received	(318 350)	(77 490)
Finance costs	43 750	5 016
Fair value adjustments	3 447 914	90 523
Movements in provisions	-	(372 754)
Changes in working capital:		
Inventories	-	14 942
Trade and other receivables	(37 347)	1 069 949
Trade and other payables	181 400	(361 786)
	3 344 584	154 563

20. RELATED PARTIES

Relationships

Entities under control of key management Croydon Wine Company (Pty) Ltd
 Realty Dynamix 16 (Pty) Ltd (2014)

Related party balances and transactions with entities over which the body corporate has control, joint control or significant influence

Related party balances

Loan accounts - Owing (to) by related parties

Entities under control of key management 421 448 193 208

Amounts included in Trade receivable (Trade Payable) regarding related parties

Entities under control of key management 287 535 704 330
 Entities under control of key management (118 603) -

Related party transactions

Purchases from (sales to) related parties

Entities under control of key management 9 043 14 740
 Entities under control of key management (52 796) -

Rent paid to (received from) related parties

Entities under control of key management (234 174) (195 272)

Levy contribution paid to (received from) related parties

Entities under control of key management 807 749 869 763

Management fees paid to (received from) related parties

Entities under control of key management - 69 874

Insurance paid to (received from) related parties

Entities under control of key management - (27 637)

Interest paid to (received from) related parties

Entities under control of key management (30 896) -

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

DETAILED STATEMENT OF FINANCIAL PERFORMANCE

	2015 R	2014 R
Revenue		
Additional levy income	693 661	790 125
Function income	-	61 745
Legal fees recovered	51 000	22 373
Levy income	4 194 477	3 355 239
Other recoveries	283 876	92 161
Penalty levies	788 181	237 686
Rendering of services - Water and electricity	3 363 228	2 176 307
Rental Income	248 546	262 767
Trustee's discretionary fund	53 014	13 805
	9 675 983	7 012 208
Cost of sales	-	(14 968)
Gross surplus	9 675 983	6 997 240
Other income		
Insurance recoveries	5 000	25 455
Interest received	318 350	77 490
Self insurance claims	3 553 008	200 000
Sundry income	58 896	30 543
	3 935 254	333 488
Expenses (Refer to page 23)	(10 152 659)	(7 492 622)
Operating surplus (deficit)	3 458 578	(161 894)
Finance costs	(43 750)	(5 016)
Fair value adjustments	(3 447 914)	(90 523)
	(3 491 664)	(95 539)
Deficit before taxation	(33 086)	(257 433)
Taxation	806 732	377 372
Surplus for the year	773 646	119 939

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

DETAILED STATEMENT OF FINANCIAL PERFORMANCE

	2015 R	2014 R
Operating expenses		
AGM expenses	-	286
Accounting fees	35 070	21 422
Administration fees	-	1 169
Advertising and Marketing	6 708	450
Auditors' remuneration	59 850	39 500
Bad debts	975 446	-
Bank charges	20 508	22 447
Builders boards	11 626	22
Building and architectural supervision	1 360	13 319
Cleaning	1 259	43 989
Computer expenses	32 288	41 793
Connection fees	-	3 657
Consulting and professional fees	103 484	97 042
Courier and postage	554	129
Depreciation, amortisation and impairments	60 303	43 597
Electricity and water	3 869 709	2 569 600
Employee costs	1 522 082	1 098 573
Entertainment	5 243	5 359
Flowers	-	641
Function expenses	7 705	9 144
Hire	21 967	-
IT expenses	5 605	12 775
Insurance	70 047	82 380
Kitchen smalls	12 168	6 753
Labour recruitment	-	78 750
Landscape fees	115 556	12 201
Legal expenses	64 999	65 349
Levies	807 759	869 763
Licenses	-	465
Management fees	143 703	147 118
Motor vehicle expenses	82 371	109 575
Printing and stationery	48 367	54 617
Rates	-	771
Repairs and maintenance	741 819	538 077
Road verge expenses	189 880	138 034
Scrutiny fees	50 900	52 750
Security	1 006 612	689 651
Self insurance	-	316 667
Staff uniforms	21 925	18 177
Subscription fees	17 425	12 746
Telephone and fax	38 361	44 234
Towels and linen	-	526
Vat adjustment	-	229 104
	10 152 659	7 492 622

CROYDON VINEYARD ESTATE HOMEOWNERS ASSOCIATION

(REGISTRATION NUMBER)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

TAX COMPUTATION

	R
Net loss per income statement	(33 086)
Permanent differences	(3 718 805)
Income subject to the income tax act section 10(1)(e)(i)	(5 676 319)
Expense subject to the income tax act section 10(1)(e)(i)	5 597 518
Exemption subject to the income tax act section 10(1)(e)(ii)	(50 000)
Exempt self insurance receipt	(3 553 008)
Non taxable receipts	(6 100)
Non taxable interest Sec 8F	(30 896)
	<u>(3 751 891)</u>
Temporary differences	3 448 817
Depreciation	60 303
Wear and tear	(59 400)
Fair value adjustment	3 447 914
	<u>(303 074)</u>
Tax loss for 2015 - carried forward	<u>NIL</u>
Taxation thereon @ 28c in the Rand	<u>NIL</u>
Tax liability	
Amount owing/(prepaid) at the beginning of year	(611 562)
Prior year adjustment	243 797
Interest accrued	(22 108)
	<u>(389 873)</u>
Amount owing/(prepaid) in respect of prior year	(389 873)
Tax owing/(prepaid) for the current year	
Normal tax	(115 182)
1st provisional payment	(115 182)
2nd provisional payment	-
	<u>(505 055)</u>
Amount owing/(prepaid) at the end of year	<u>(505 055)</u>