

Sibaya Precinct Master Association (RF) Non-Profit Company

Registration No. 2016/193545/08



Annual Report

For the year ended 31 March 2022



Sibaya Precinct Master Management Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Contents

	Pages
Notice of Meeting	3
Meeting Agenda	4
Directors Nomination Form	5
Form of Proxy	6
Minutes of AGM held on 20 October 2021	7
The Chairman's Annual Review	12

Annexure 1- Auditors Report and Annual Financial Statements



Sibaya Precinct Master Management Association (RF) Non-Profit Company

Registration No. 2016/193545/08

("the Company")

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Members of the Sibaya Precinct Master Management Association (SPMMA) NPC will be held at DEVMCO Boardroom as well as via Microsoft Teams Meeting on 22 September 2022 at 10h00 for the following purposes:

1. To receive the Chairman's Report.
2. To receive and adopt the Audited Annual Financial Statements for the year ended 31 March 2022, which incorporates the Independent Auditors Report.
3. To appoint the independent auditors of the Company.
4. To elect directors in terms of Article 5 of the Memorandum of Incorporation.
During the Development Period the Board shall comprise a maximum of seven directors, four of whom shall be nominees of the Developer, and a minimum of three directors, of which all three shall be nominees of the Developer.

It would facilitate secretarial procedures if nominations for the appointment of Directors could be emailed to cherrie@urbanmgt.co.za by no later than 06 September 2022. Nominations must be in writing with the name of the proposer and seconder, the acceptance of such nomination by the nominee, and should be accompanied by the curriculum vitae of such nominee. A nomination form is enclosed for this purpose.

5. To transact such other business as may be transacted at an Annual General Meeting.

NOTE:

Any member entitled to attend and vote is entitled to appoint a proxy to attend, vote and speak in his/her stead, and such proxy need not also be a member of the Company. A proxy form is enclosed for this purpose.

Items for discussion under any agenda item should be advised to the Chair of the Sibaya Precinct Master Management Association and emailed to cherrie@urbanmgt.co.za by no later than the 06 September 2022. Please note that such notification must be in writing.

In terms of clause 14.13 of the Memorandum of Incorporation, any member who is 60 (sixty) days or more in arrears in the payment of any levies due to the Association in terms of the MOI, shall not be allowed to vote at the meeting, either in person or by proxy

By order of the Board



Sibaya Precinct Master Management Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Agenda

1. Welcome

2. Apologies

3. Notice of meeting and quorum

A quorum required for the Annual General Meeting is Members holding between them, in aggregate, not less than 20% of the rights (bulk ownership) entitled to vote, personally present, or by its duly authorized representative (subject to 2 (two) Members personally present), provided that for the Development Period, 1 (one) of such Members is the Developer.

4. To adopt the Minutes of the Annual General Meeting held on 20 October 2021.

5. Matters arising from the previous Annual General Meeting minutes

6. Chairman's Report

7. Resolution 1: To receive and adopt the annual financial statements for the year ended 31 March 2022 which incorporates the report of the independent auditors.

8. Resolution 2: To appoint the independent auditor of the Company.

9. Resolution 3: To elect Directors for the ensuing year. Current directors who will resign include Hlalelo Makwabe, Bheki Shongwe, Graeme Phillips, Neil Slatter, Rajan Naidoo, Wicus Jacobs, Stuart Meyer

10. General

11. Close of Meeting

By order of the Board



**Sibaya Precinct Master Management Association (RF) Non-Profit
Company**

Registration No. 2016/193545/08

Directors Nomination Form for the Annual General Meeting of 22 September 2022

I, the undersigned:.....

duly authorised representative of:.....

being a fully paid up member of the Association and registered owner of Ptn:.....

in the area known as **Sibaya Precinct Master Management Association**, hereby nominate for appointment as
Director of the Association:

.....

Proposer's signature

Nominee's signature

NOTE:

Directors Nomination Form should be emailed to Cherrie@urbanmgt.co.za for the attention the Chair of
the **Sibaya Precinct Master Management Association by 06 September 2022.**



**Sibaya Precinct Master Management Association (RF) Non-Profit
Company**

Registration No. 2016/193545/08

Form of Proxy

I, the undersigned.....

duly authorised as representative of.....

being a fully paid up member of the Association and registered owner of Ptn No:.....

in the area known as **Sibaya Precinct Master Management Association**, hereby appoint:

..... (Name of Proxy)

Or, failing him/her, the Chairman of the meeting, as my proxy to vote for me and on my behalf at the Annual General Meeting of the Association to be held on 22 September 2022.

I record that my proxy will vote as he/she thinks fit.

Signed at:..... this.....day of.....2022.

Signature:.....

FOR AND BEHALF OF:.....

NOTE:

Proxy forms should be emailed to Cherrie@urbanmgt.co.za for the attention the Chair **Sibaya Precinct Master Management Association by 06 September 2022.**



Sibaya Precinct Master Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Minutes of the 5th Annual General Meeting held at via Microsoft Teams Meeting on 20 October 2021 at 10h00

Directors:

Name	Initial	Representing	Present	Apologies
Graeme Phillips	GP	Garlicke & Bousfield	In attendance	
Hlalelo Makwabe	HMak	Tongaat Hulett Properties (THP)	In attendance	
Bheki Shongwe	BS	Tongaat Hulett Properties (THP)		Apologies
Stuart Meyer	SM	DEVMCO	In attendance	
Rajan Naidoo	RN	The Ocean Club Trust		Apologies (Proxy)
Neil Slatter	NS	Jentry Investments (Balize)	In attendance	
Wicus Jacobs	WJ	Voltas Trading	In attendance	

By Invitation:

Name	Initial	Representing	Present	Apologies
Michelle White (proxy)	MW	The Ocean Club Trust	In attendance	
Daniel Gardner	DG	FWJK		Apologies
Brian Wright	BW	Sibaya Management Association	In attendance	
Jarrold Evans	JE	Sibaya Management Association	In attendance	
Justin Van Rensburg	JvR	Sibaya Management Association	In attendance	
Maxine Schilz	KW	Sibaya Management Association	In attendance	
Joanne Barnard	JB	Sibaya Management Association	In attendance	
Cherrie Francis	CF	Sibaya Management Association	In attendance	
Melanie Rosettenstein	MR	Sibaya Management Association	In attendance	
Monique Sharpley	MSh	Baker Tilly Morrison Murray	In attendance	

AGM 1/21	Welcome and Introductions	Action
	Graeme Phillips (GP) welcomed all to the 5th Annual General Meeting of the Members' of the Sibaya Precinct Master Management Association (RF) NPC ('the Master Association') as well as its Sub-Precincts. GP introduced the Board of Directors of the Master Association to the meeting, as follows: • Graeme Phillips - Garlicke & Bousfield Inc. • Hlalelo Makwabe - Tongaat Hulett Properties • Bheki Shongwe - Tongaat Hulett Properties (in absentia) • Stuart Meyer - DEVMCO • Neil Slatter - Balize • Rajan Naidoo - Signature Residential Development in absentia) • Wicus Jacobs - Shoreline Residential Development Sibaya Sub-precinct 1D Directors were introduced as follows: • Graeme Phillips - Garlicke & Bousfield Inc. • Hlalelo Makwabe - Tongaat Hulett Properties • Wicus Jacobs - Shoreline Sibaya Sub-precinct 1B Directors were introduced as follows: • Graeme Phillips - Garlicke & Bousfield Inc. • Hlalelo Makwabe - Tongaat Hulett Properties • Dan Gardner - FWJK (in absentia) The Chair further introduced the Management Team to the meeting, as follows: • Brian Wright – Head of Strategy • Justin Van Rensburg – Precinct Manager • Jarrod Evans – Head of Operations North • Joanne Barnard – Head of Corporate Governance & Company Secretariat • Maxine Schilz – Head of Finance • Cherrie Francis – Company Secretariat support • Melanie Rosettenstein – Communications It was noted that Monique Sharpley, of the Auditors Baker Tilly Morrison Murray was in attendance and would respond to any questions.	
AGM 2/21	Apologies	
a.)	Apologies were recorded as listed above.	
b.)	Proxies were recorded as listed above.	
AGM 3/21	Quorum	
	Attendees confirmed receipt of due notice of the meeting. The quorum required for the Annual General Meeting was members holding between them, in aggregate, not less than 20% of the rights (bulk ownership) entitled to vote, personally present, or by its duly authorized representative	

	(subject to 2 (two) members personally present), provided that for the Development Period, 1 (one) of such members was the Developer. Joanne Barnard (JB) confirmed that a quorum was present.	
AGM 4/21	To adopt the minutes of the previous meeting	
	The Minutes of the Annual General Meeting held on <u>13 October 2020</u> had been circulated to attendees before the meeting. It was noted that there were no changes to the minutes and they <u>were proposed for approval by Wicus Jacobs (WJ) and seconded by Stuart Meyer (SM). The minutes were therefore approved and adopted.</u>	
AGM 5/21	Matters arising from the previous meeting	
	The meeting noted the Action items as circulated ahead of the meeting with the meeting papers. All actions are taken as completed unless detailed below.	
AGM 6/21	Chairman's Report to Be Presented	
	The meeting noted the Chairman's Report, as circulated ahead of the meeting, which was taken as read and by exception.	
AGM 7/21	Resolution 1: To receive and adopt the annual financial statements for the year ended 31 March 2021, which incorporates the Chairman's report to members, and the report of the independent auditors.	
	The meeting noted that the Annual Financial Statements for the period ended 31 March 2021, which included the Chair's Review and the Report of the Independent Auditors, as circulated ahead of the meeting. There being no comments, the <u>AFS was proposed by Wicus Jacobs (WJ) and seconded by Stuart Meyer (SM). The motion was put to the meeting and unanimously carried.</u>	
AGM 8/21	Resolution 2: To re-appoint of the Auditors of the Company.	
	The Chair moved to re-appoint Baker Tilly Morrison Murray as the Auditors of the Company and the motion was put to the meeting and <u>was unanimously carried.</u>	
AGM 9/21	Resolution 3: To elect directors for the ensuing year	
	The Chair explained that the Directors would retire at this Annual General Meeting and that the following Directors would be automatically reappointed to the Board as they were representatives of THP. • Hlalelo Makwabe - Tongaat Hulett Properties • Bheki Shongwe - Tongaat Hulett Properties • Graeme Phillips - Garlicke & Bousfield Inc. In addition, the following non-THD directors were available for election: • Rajan Naidoo - The Ocean Club Trust (Signature)	

	• Neil Slatter - Jentry Investments (Balize) • Wicus Jacobs - Voltas Trading (Shoreline) • Stuart Meyer - DEVMCO The meeting noted the Companies Act of 2008 required that Directors be individually elected, and as such he called for nominations of directors: • Hlalelo Makwabe as nominated and appointed by Tongaat Hulett Properties (THP). • Bheki Shongwe as nominated and appointed by Tongaat Hulett Properties (THP). • Graeme Phillips as nominated and appointed by Tongaat Hulett Properties (THP). • Stuart Meyer as nominated by Tongaat Hulett Properties, seconded by Graeme Phillips. • Rajan Naidoo nominated by The Ocean Club Trust (Signature), seconded by Graeme Phillips. • Neil Slatter nominated by Jentry Investments (Balize), seconded by Graeme Phillips. • Wicus Jacobs nominated by Voltas Trading (Shoreline), seconded by Graeme Phillips. There were no objections to the nominations, the Chair moved that the nominees be elected to the Board until the next Annual General Meeting. <u>The motion was unanimously carried.</u>	
AGM 10/21	General	
	None.	
AGM 11/21	Meeting Closure	
	There being no further business the Chair thanked the meeting for their attendance and declared the meeting closed at 10h16.	
	Read and confirmed this _____ day of _____ 2022. _____ Chair	

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number 2016/193545/08)

Annual Financial Statements
for the year ended 31 March 2022

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To control, manage and maintain all the properties within the area known as "Sibaya Precinct"
Directors	JJ Jacobs HX Makwabe R Naidoo GF Phillips NP Slatter B Shongwe S Meyer
Business address	305 Umhlanga Rocks Drive La Lucia Durban KwaZulu Natal 4051
Auditors	Baker Tilly Morrison Murray Chartered Accountants (SA) Registered Auditors
Secretary	Urban MGT
Managing agent	Eris Property Group (Pty) Ltd
Company registration number	2016/193545/08
Tax reference number	9012/436/26/8
CSOS registration number	CSOS/REG/19/KZN/005919
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: JG Verburg Chartered Accountant (SA)
Issued	24 August 2022

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

INDEX

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

	Page
Directors' Responsibilities and Approval	3
Independent Auditor's Report	4 - 6
Directors' Report	7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Annual Financial Statements	15 - 16

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

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 auditor is engaged to express an independent opinion on the financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the 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 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 31 March 2023 and, in the 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 financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 8 to 16, which have been prepared on the going concern basis, were approved by the board on 11 August 2022 and were signed on its behalf by:

Approval of annual financial statements



Director
Date: 19 August 2022



Director
Date: 22 August 2022

Registered Auditors
Chartered Accountants (SA)

20 Westville Road, Westville, 3629
PO Box 1098, Westville, 3630
South Africa

T: +27 (0)31 267 5300

mail@bakertillymm.co.za
www.bakertillymm.co.za

INDEPENDENT AUDITOR'S REPORT

To the members of Sibaya Precinct Master Management Association (RF) NPC

Opinion

We have audited the financial statements of Sibaya Precinct Master Management Association (RF) NPC (the company) set out on pages 8 to 16, which comprise the statement of financial position as at 31 March 2022, and the 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 Sibaya Precinct Master Management Association (RF) NPC as at 31 March 2022, 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 (ISAs). 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 Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of 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.

INDEPENDENT AUDITOR'S REPORT

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa, 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards 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.

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.

INDEPENDENT AUDITOR'S REPORT

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.

Baker Tilly Morrison Murray

Baker Tilly Morrison Murray

Partner: Monique Sharpley CA(SA)
Registered Auditor

Westville

Date: 24 August 2022

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Sibaya Precinct Master Management Association (RF) NPC for the year ended 31 March 2022.

1. Review of financial results and activities

The main objective of the Association is to control, manage and maintain all the properties within the area known as "Sibaya Precinct".

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

2. Directors

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

Directors

JJ Jacobs

HX Makwabe

R Naidoo

GF Phillips

NP Slatter

B Shongwe

S Meyer

Appointed 20 October 2021

3. Special resolutions

No special resolutions, the nature of which might be significant to the members in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

4. 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.

5. Auditors

Baker Tilly Morrison Murray were appointed as auditors for the company for 2022.

6. Secretary

The company secretary during the year is Urban MGT.

Business address 44 Lagoon Drive
Umhlanga
4339

7. Managing agent

The company managing agent during the year is Eris Property Group (Pty) Ltd.

Business address Suite 4B, 100 Armstrong Avenue
La Lucia Ridge
4051

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

Figures in Rand	Note(s)	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	2	150 065	119 627
Current Assets			
Trade and other receivables	3	-	354 119
Other financial assets	4	100 984	63 310
Prepayments		2 536	28 615
Cash and cash equivalents	5	5 692 212	4 784 238
		5 795 732	5 230 282
Total Assets		5 945 797	5 349 909
Equity and Liabilities			
Equity			
Levy stabilisation fund		1 541 883	672 000
Accumulated surplus		2 223 768	1 783 299
		3 765 651	2 455 299
Liabilities			
Current Liabilities			
Trade and other payables	6	1 292 203	1 298 340
Other financial liabilities	4	608 000	1 366 983
Current tax payable		39 007	4 652
Levies received in advance		240 936	224 635
		2 180 146	2 894 610
Total Equity and Liabilities		5 945 797	5 349 909

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2022	2021
Revenue			
Levies receivable		6 748 731	6 940 517
Levy stabilisation fund		1 013 150	497 000
Recoveries - Design review fees		31 300	21 300
		7 793 181	7 458 817
Other income			
Interest received		174 218	205 644
Operating expenses			
Accounts administration fee		56 017	52 352
Administration and management fees		2 339 904	2 339 904
Audit fees		36 832	19 968
Bank charges		4 556	5 098
Cleaning		318 597	263 572
Computer expenses		43 881	74 929
Depreciation		33 259	21 303
Design review fees		31 300	21 300
Electrical supplies		-	6 700
Fuels and oil		-	407
General expenses		-	5 861
Improvement projects		310 196	238 450
Insurance		9 659	8 875
Landscaping costs		51 600	47 450
Lease rentals on operating lease		294 152	272 400
Legal expenses		-	89 938
Levies		1 846 876	1 827 102
Licences and subscriptions		-	2 000
Meetings and entertainment		1 046	-
Printing and stationery		21 360	10 520
Public relations		180 800	-
Reimbursements		1 447	1 684
Repairs and maintenance		238 889	164 470
Secretarial fees		14 210	27 527
Security		666 697	661 050
Telephone and internet		21 264	21 264
Uniforms		1 020	-
Website development costs		99 130	-
		6 622 692	6 184 124
Surplus before taxation		1 344 707	1 480 337
Taxation	8	(34 355)	(42 489)
Surplus for the year		1 310 352	1 437 848

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Levy stabilisation fund	Accumulated surplus	Total equity
Balance at 01 April 2020	175 000	842 451	1 017 451
Surplus for the year	-	1 437 848	1 437 848
Transfer to levy stabilisation fund	497 000	(497 000)	-
Total changes	497 000	(497 000)	-
Balance at 01 April 2021	672 000	1 783 299	2 455 299
Surplus for the year	-	1 310 352	1 310 352
Transfer to levy stabilisation fund	1 013 150	(1 013 150)	-
Reserves utilised - website development	(79 570)	79 570	-
Reserves utilised - security equipment	(63 697)	63 697	-
Total changes	869 883	(869 883)	-
Balance at 31 March 2022	1 541 883	2 223 768	3 765 651

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2022	2021
Cash flows from operating activities			
Cash generated from operations	7	1 594 110	1 461 717
Interest income		174 218	205 644
Tax paid		-	(133 361)
Net cash from operating activities		1 768 328	1 534 000
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(63 697)	(65 433)
Cash flows from financing activities			
Repayments of other financial liabilities		(796 657)	(2 400 682)
Total cash movement for the year		907 974	(932 115)
Cash at the beginning of the year		4 784 238	5 716 353
Total cash at end of the year	5	5 692 212	4 784 238

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

ACCOUNTING POLICIES

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes 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.

The initial estimate of the costs of dismantling and removing an asset and restoring the site on which it is located is also included in the cost of property, plant and equipment, when such dismantling, removal and restoration is obligatory.

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

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection is derecognised.

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

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

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

Item	Depreciation method	Average useful life
Security equipment	Straight line	5 Years
Furniture and fixtures	Straight line	6 Years

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Where major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

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

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

ACCOUNTING POLICIES

1.1 Property, plant and equipment (continued)

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

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

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).

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

Commitments to receive a loan are measured at cost less impairment.

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.

1.3 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.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

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.

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.

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

ACCOUNTING POLICIES

1.4 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are 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.

Any contingent rents are expensed in the period they are incurred.

1.5 Revenue

All operating expenses are recoverable from owners by way of levies and are recognised when invoiced.

Interest is recognised, in surplus or deficit, as it accrues.

Sundry revenue is recognised when it is earned.

1.6 Borrowing costs

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

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2022	2021
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2. Property, plant and equipment

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	142 229	(46 306)	95 923	142 229	(22 602)	119 627
Security equipment	63 697	(9 555)	54 142	-	-	-
Total	205 926	(55 861)	150 065	142 229	(22 602)	119 627

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	119 627	-	(23 704)	95 923
Security equipment	-	63 697	(9 555)	54 142
	119 627	63 697	(33 259)	150 065

3. Trade and other receivables

Trade receivables	-	354 119
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4. Other financial assets (liabilities)

Sibaya Sub Precinct 1B Management Association (RF) NPC	50 260	32 598
Sibaya Sub Precinct 1D Management Association (RF) NPC	49 724	29 712
Signature Management Association (RF) NPC	-	(88 983)
Sibaya Sub Precinct Node 5 Management Association (RF) NPC	-	(670 000)
Sibaya Sub Precinct 5B Management Association (RF) NPC	(608 000)	(608 000)
Oceandune Management Association (RF) NPC	1 000	1 000
	(507 016)	(1 303 673)
Current assets	100 984	63 310
Current liabilities	(608 000)	(1 366 983)
	(507 016)	(1 303 673)

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 692 212	4 784 238
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6. Trade and other payables

Amounts received in advance	6 508	27 358
Development deposits received	1 200 000	1 200 000
Trade payables	31 649	16 014
VAT	54 046	54 968
	1 292 203	1 298 340

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION (RF) NPC

(Registration number: 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2022	2021
7. Cash generated from operations		
Surplus before taxation	1 344 707	1 480 337
Adjustments for:		
Depreciation	33 259	21 303
Interest received	(174 218)	(205 644)
Changes in working capital:		
Trade and other receivables	354 119	(184 927)
Prepayments	26 079	(25 891)
Trade and other payables	(6 136)	205 012
Levies received in advance	16 300	171 527
	1 594 110	1 461 717

8. Taxation

Major components of the tax expense

Current taxation

South African normal tax - current year	34 355	43 140
South African normal tax - prior period (over) under provision	-	(651)
	34 355	42 489

Taxation has been provided for on the taxable income in excess of R50 000 in terms of Section 10(1)(e) of the Income Tax Act.

9. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

10. 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 the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

11. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	314 732	292 752
- in second to fifth year inclusive	424 600	739 332
	739 332	1 032 084

Operating lease payments represent rentals payable by the company to Ocean Dune Retail (Pty) Ltd for certain of its office properties. Leases are negotiated for an average term of five years. No contingent rent is payable.