

# **Vorna Valley Residents Association (NPO)**

**(Registration Number 146-167 NPO)**

**Annual Financial Statements**

**for the year ended 31 December 2021**

## **Compiled Financial Statements**

in compliance with the Nonprofit Organisation Act of South Africa

Prepared by: Finance Enable (Pty) Ltd

Professional designation: CA (SA)

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Annual Financial Statements for the year ended 31 December 2021

## Index

---

	<b>Page</b>
General Information	2
Members' Report	3
Report of the Compiler	4
The Chartered Accountant (South Africa) Declaration	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Accounting Policies	10 - 11
Notes to the Financial Statements	12 - 14
Supplementary information:	
Detailed Income Statement	15
Ratio analysis	16
Income Tax Computation	17

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Annual Financial Statements for the year ended 31 December 2021

## General Information

---

<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	146-167 NPO
<b>Registration Date</b>	08 December 2014
<b>Nature of Business and Principal Activities</b>	The non-profit organisation serves all the residents of Vorna Valley without any Fear or Favour. We do not propagate and support the views of any political party, religious or cultural group.
<b>Members</b>	Marianne Nel (Chairperson) Carol Thornton (Treasurer) Paul Veltman (Secretary) Varushka Singh (Liaison) Genevieve Russell (Green) Mark Straw (JMPD)
<b>Registered Office</b>	P.O Box 13434 Vorna Valley Midrand 1686
<b>Business Address</b>	P.O Box 13434 Vorna Valley Midrand 1686
<b>Postal Address</b>	P.O Box 13434 Vorna Valley Midrand 1686
<b>Bankers</b>	First National Bank
<b>Chartered Accountant CA (SA)</b>	Finance Enable (Pty) Ltd Elizabeth Fry Street Vorna Valley Midrand 1686
<b>Preparer</b>	Finance Enable (Pty) Ltd Elizabeth Fry Street Vorna Valley Midrand 1686

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Annual Financial Statements for the year ended 31 December 2021

## Members' Report

---

The members present their report for the year ended 31 December 2021.

### 1. Review of activities

#### Main business and operations

The non-profit organisation serves all the residents of Vorna Valley without any Fear or Favour. We do not propagate and support the views of any political party, religious or cultural group. There were no major changes herein during the year.

The operating results and statement of financial position of the non-profit organisation are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. Going concern

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.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The members are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit organisation.

### 4. Donations

No donations were declared or paid to the member during the year.

### 5. Members

The members of the non-profit organisation during the year and up to the date of this report are as follows:

Marianne Nel (Chairperson)

Carol Thornton (Treasurer)

Paul Veltman (Secretary)

Varushka Singh (Liaison)

Genevieve Russell (Green)

Mark Straw (JMPD)



# Finance Enable

## Report of the Compiler

---

### To the Members of Vorna Valley Residents Association (NPO)

I have compiled the accompanying financial statements of Vorna Valley Residents Association (NPO) based on information you have provided. These financial statements comprise the statement of financial position as at 31 December 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

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

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

As stated in Note 2, the financial statements are prepared and presented in accordance with International Financial Reporting Standards for Small- and Medium-sized Entities (IFRS for SMEs), excluding property which is revalued in the financial statements rather than being carried at historical cost. The financial statements are prepared for the purpose described in Note Y to the financial statements. Accordingly, these financial statements may not be suitable for other purposes.

**Finance Enable (Pty) Ltd**

**8 April 2022**

---

**Per: Finance Enable (Pty) Ltd**  
**SAICA Membership number 08052361**  
**Chartered Accountant CA (SA)**

**Elizabeth Fry Street**  
**Vorna Valley**  
**Midrand**  
**1686**

## **The Chartered Accountant (South Africa) Declaration**

---

The following annual financial statements of Vorna Valley Residents Association (NPO) presented on pages 6 to 14 have been independently compiled by a Chartered Accountant (South Africa) (CA(SA)). Refer to compilation report on page 4.

Use of the CA(SA) designation is governed by the Chartered Accountants Designation (Private) Act, 1993 (Act 67 of 1993), which regulates and permits the use of the CA(SA) designation exclusively by members of The South African Institute of Chartered Accountants (SAICA). Use of the designation without SAICA membership is consequently a criminal offence, and misuse is subject to legal action.

SAICA is the premier accountancy body in South Africa and one of the leading chartered accountancy institutes in the world and all members must comply with the Code of Professional Conduct which conforms to the code released by the International Ethics Standards Board for Accountants (IESBA). The SAICA code and definitions contained therein are consistent in all material aspects with the International Federation of Accountants' (IFAC) code as well as the Independent Regulatory Board for Auditors (IRBA) code.

The following fundamental principles are embodied in the SAICA Code of Professional Conduct and are to be upheld by all CAs(SA) at all times.

- Integrity – a duty to be straightforward and honest in all professional and business relationships.
- Objectivity – a duty to not allow bias, conflict of interest or undue influence of others to override professional or business judgements.
- Professional competence and due care – a duty to maintain professional knowledge and skill at the level required to ensure that a client receives competent professional services based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.
- Confidentiality – a duty to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the chartered accountant or third parties.
- Professional behaviour – a duty to comply with relevant laws and regulations and avoid any action that discredits the accountancy profession.

A distinguishing characteristic of CAs(SA) are their responsibilities and duties which extend beyond the needs of individual clients and also includes the public as a whole.

Accordingly, this declaration serves to confirm that the above mentioned annual financial statements have been prepared by a CA(SA) who has observed and complied with the SAICA Code.

**Finance Enable (Pty) Ltd**

**8 April 2022**



---

**Per: Finance Enable (Pty) Ltd**  
**SAICA Membership number 08052361**  
**Chartered Accountant CA (SA)**

**Elizabeth Fry Street**  
**Vorna Valley**  
**Midrand**  
**1686**

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Statement of Financial Position

Figures in R

	Notes	2021	2020
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	5	2,010	324
Cash and cash equivalents	6	37,535	54,648
<b>Total current assets</b>		<b>39,545</b>	<b>54,972</b>
<b>Total assets</b>		<b>39,545</b>	<b>54,972</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Accumulated surplus		39,576	54,002
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	(31)	970
<b>Total equity and liabilities</b>		<b>39,545</b>	<b>54,972</b>

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Statement of Comprehensive Income

Figures in R	Notes	2021	2020
Revenue	8	123,997	79,031
Administrative expenses	9	(3,211)	(4,395)
Other expenses	10	(135,212)	(151,336)
<b>Deficit from operating activities</b>	11	<b>(14,426)</b>	<b>(76,700)</b>
<b>Deficit for the year</b>		<b>(14,426)</b>	<b>(76,700)</b>

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Statement of Changes in Equity

Figures in R	Accumulated surplus	Total
<b>Balance at 1 January 2020</b>	130,702	130,702
<b>Changes in equity</b>		
Deficit for the year	(76,700)	(76,700)
Total comprehensive income for the year	(76,700)	(76,700)
<b>Balance at 31 December 2020</b>	<b>54,002</b>	<b>54,002</b>
<b>Balance at 1 January 2021</b>	54,002	54,002
<b>Changes in equity</b>		
Deficit for the year	(14,426)	(14,426)
Total comprehensive income for the year	(14,426)	(14,426)
<b>Balance at 31 December 2021</b>	<b>39,576</b>	<b>39,576</b>

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Statement of Cash Flows

Figures in R

	Note	2021	2020
<b>Cash flows used in operations</b>			
<b>Deficit for the year</b>		<b>(14,426)</b>	<b>(76,700)</b>
<b>Adjustments to reconcile deficit</b>			
Adjustments for finance income		(155)	(185)
Adjustments for (increase) / decrease in trade accounts receivable		(1,686)	6,976
Adjustments for (decrease) / increase in other operating payables		(1,001)	970
Adjustments for depreciation and amortisation expense		-	4,997
<b>Total adjustments to reconcile deficit</b>		<b>(2,842)</b>	<b>12,758</b>
<b>Net cash flows used in operations</b>		<b>(17,268)</b>	<b>(63,942)</b>
Interest received		155	185
<b>Net cash flows used in operating activities</b>		<b>(17,113)</b>	<b>(63,757)</b>
Purchase of property, plant and equipment		-	-
<b>Net decrease in cash and cash equivalents</b>		<b>(17,113)</b>	<b>(63,757)</b>
Cash and cash equivalents at beginning of the year		54,648	118,405
<b>Cash and cash equivalents at end of the year</b>	<b>6</b>	<b>37,535</b>	<b>54,648</b>

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Accounting Policies

---

### 1. General information

Vorna Valley Residents Association (NPO) ('the non-profit organisation') serves all the residents of Vorna Valley without any Fear or Favour. We do not propagate and support the views of any political party, religious or cultural group.

The non-profit organisation is incorporated as a Non-Profit Organisation and domiciled in South Africa. The address of its registered office is P.O Box 13434, Vorna Valley, Midrand, 1686.

### 2. Basis of preparation and summary of significant accounting policies

The financial statements of Vorna Valley Residents Association (NPO) have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Nonprofit Organisation Act of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit organisation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Property, plant and equipment

#### 2.2 Financial instruments

##### Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the non-profit organisation will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

##### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

##### Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### 2.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Accounting Policies

---

### *Basis of preparation and summary of significant accounting policies continued...*

Revenue from the sale of goods is recognised when:

- significant risks and rewards of ownership of the goods have been transferred to the buyer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of transactions involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income is recognised using the effective interest method.

### **3. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

2021

2020

### 4. Property, plant and equipment

Balances at year end and movements for the year

	Machinery	Computer equipment	Machinery	Total
<b>Reconciliation for the year ended 31 December 2021</b>				
<b>Balance at 1 January 2021</b>				
At cost	-	-	4,997	4,997
Accumulated depreciation	-	-	(4,997)	(4,997)
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance at 31 December 2021</b>				
At cost	-	-	4,997	4,997
Accumulated depreciation	-	-	(4,997)	(4,997)
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reconciliation for the year ended 31 December 2020</b>				
<b>Balance at 1 January 2020</b>				
At cost	-	-	-	-
Accumulated depreciation	-	-	-	-
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movements for the year ended 31 December 2020</b>				
Additions from acquisitions	-	4,997	-	4,997
Depreciation	(4,997)	-	-	(4,997)
<b>Property, plant and equipment at the end of the year</b>	<b>(4,997)</b>	<b>4,997</b>	<b>-</b>	<b>-</b>
<b>Closing balance at 31 December 2020</b>				
At cost	-	-	4,997	4,997
Accumulated depreciation	-	-	(4,997)	(4,997)
<b>Carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 5. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	2,010	324
-------------------	-------	-----

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

	2021	2020
<b>6. Cash and cash equivalents</b>		
<b>6.1 Cash and cash equivalents included in current assets:</b>		
<b>Cash</b>		
Balances with banks	37,505	55,618
<b>Cash equivalents</b>		
Other banking arrangements	30	(970)
	<b>37,535</b>	<b>54,648</b>
<b>6.2 Net cash and cash equivalents</b>		
Current assets	37,535	54,648
<b>7. Trade and other payables</b>		
<b>Trade and other payables comprise:</b>		
Other payables	(31)	970
<b>8. Revenue</b>		
<b>Revenue comprises:</b>		
Rendering of services	123,842	78,846
Interest received	155	185
<b>Total revenue</b>	<b>123,997</b>	<b>79,031</b>
<b>9. Administrative expenses</b>		
<b>Administrative expenses comprise:</b>		
Accounting fees	1,500	1,500
Bank charges	1,711	1,795
Telecommunication	-	1,100
<b>Total administrative expenses</b>	<b>3,211</b>	<b>4,395</b>

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Financial Statements for the year ended 31 December 2021

## Notes to the Financial Statements

Figures in R

2021

2020

### 10. Other expenses

Other expenses comprise:

Depreciation	-	4,997
Employee benefit expenses	19,740	36,250
Green Gazette	695	595
LPR Cameras	111,929	104,797
Petrol and oil	-	2,099
Printing and stationery	-	70
Property related expenses	1,875	1,928
Repairs and maintenance	224	-
Security	749	-
Travel - Local	-	600
<b>Total other expenses</b>	<b>135,212</b>	<b>151,336</b>

### 11. Deficit from operating activities

Deficit from operating activities includes the following separately disclosable items

Other operating expenses

Property plant and equipment		
- depreciation	-	4,997

# Vorna Valley Residents Association (NPO)

(Registration Number 146-167 NPO)

Annual Financial Statements for the year ended 31 December 2021

## Detailed Income Statement

Figures in R

	Notes	2021	2020
<b>Revenue</b>	8		
Donations		123,842	78,846
Interest received		155	185
		<u>123,997</u>	<u>79,031</u>
<b>Administrative expenses</b>	9		
Accounting fees		(1,500)	(1,500)
Bank charges		(1,711)	(1,795)
Telecommunication		-	(1,100)
		<u>(3,211)</u>	<u>(4,395)</u>
<b>Other expenses</b>	10		
Depreciation - property, plant and equipment		-	(4,997)
Employee costs - wages		(19,740)	(36,250)
Garden and pool expenses		-	(347)
Green Gazette		(695)	(595)
LPR Cameras		(111,929)	(104,797)
Management fees		(1,875)	(1,581)
Petrol and oil		-	(2,099)
Printing and stationery		-	(70)
Repairs and maintenance		(224)	-
Security		(749)	-
Travel - Local		-	(600)
		<u>(135,212)</u>	<u>(151,336)</u>
<b>Deficit from operating activities</b>	11	<u>(14,426)</u>	<u>(76,700)</u>
<b>Deficit for the year</b>		<u>(14,426)</u>	<u>(76,700)</u>