THE BODY CORPORATE OF THE ADDERLEY
(Scheme number SS 260/2002)
Annual Financial Statements
for the year ended 31 July 2020

Index

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

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

Independent Auditor's Report

To the Members of The Body Corporate of The Adderley

Report on the Audit of the Annual Financial Statements

Qualified Opinion

We have audited the annual financial statements of The Body Corporate of The Adderley (the body corporate) set out on pages 7 to 16, which comprise the statement of financial position as at 31 July 2020, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the annual financial statements of The Body Corporate of The Adderley for the year ended 31 July 2020 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011).

Basis for Qualified Opinion

We are unable to express an opinion on the obligation and valuation of the VAT payable amount of R270,140 (disclosed under note 4 Trade and Other Payables in the Notes to the Annual Financial Statements) as well as any interest or penalties due by the body corporate as no VAT201's have been submitted to SARS. Refer to note 14 Contingencies in the Notes to the Annual Financial Statements for further information.

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the body corporate in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the annual financial statements, which describes the basis of accounting. The annual financial statements are prepared in accordance with the body corporate's own accounting policies to satisfy the financial information needs of the body corporate's owners. As a result, the annual financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

PARTNERS: N NYBACK CA (SA), RA | M BRANDERS CA (SA), RA | S SCHONEGEVEL CA (SA), RA | M SPENCER CA (SA), RA | D COX CA (SA), RA
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Independent Auditor's Report

Other Information

The trustees are responsible for the other information. The other information comprises the Trustees' Report as required by the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011), which we obtained prior to the date of this report, and the supplementary information as set out on page 17. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, [insert description of matter]. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the [insert description of other information that is misstated] affected by this matter.

Responsibilities of the Trustees for the Annual Financial Statements

The trustees are responsible for the preparation of the annual financial statements in accordance with the basis of accounting described in Note 1 to the annual financial statements and the requirements of the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011), for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the trustees 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 trustees are responsible for assessing the body corporate'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 trustees either intend to liquidate the body corporate or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the body corporate's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 body corporate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the body corporate to cease to continue as a going concern.

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Independent Auditor's Report

We communicate with the trustees 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Management Rules of the body corporate and in terms of Regulation 6 of the Sectional Titles Schemes Management Regulations 2016, Rules 26(5)(c)(ii), (iii) and (iv), we report as follows:

Compliance findings with accounting requirements (Rule 26(5)(c)(ii))

The trustees are responsible to ensure that the body corporate complies with management rules 21, 24 and 26 adopted in terms of the Sectional Title Schemes Management Regulations 2016, which includes the implementation of systems, processes and internal controls such internal control as the trustees determine is necessary.

If during the course of our audit of the annual financial statements of the body corporate we become aware of any instances of non-compliance with the accounting requirements set out in management rules 21, 24 and 26 (the Rules), we are required to report our findings. We identified the following instances of non-compliance with the Rules:

- Rule 24(3)(a) as the part of the annual levies which was designated for the Reserve Fund was not all transferred from the Administrative Fund to the Reserve Fund;
- Rule 26(4) as the prior year annual financial statements were not presented at the AGM within 4 months after the financial year end;
- Rule 26(5)(d) as the audit of the annual financial statements has not been completed within 4 months of the financial year end.

Management of the body corporate's financial affairs and funds (Rules 26(5)(c)(iii) and (iv))

In terms of relevant International Standards on Auditing we did not conduct an engagement relating to whether the financial records of the body corporate have been kept and its funds have been managed so as to provide a reasonable level of protection against theft or fraud, and whether the financial affairs of the body corporate appear to be effectively managed, as required by Rules 26(5)(c)(iii) and (iv). We have not gathered evidence to express any assurance opinion or conclusion thereon.

Cecil Kilpin & Co.
Chartered Accountants (SA)
Registered Auditors
Per Partner: Sidney Schonegevel

Century City
Date: 22/06/2021

Trustees' Responsibilities and Approval

The trustees are required 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 body corporate 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 basis of accounting described in Note 1.

The annual financial statements are prepared in accordance with the basis of accounting described in Note 1 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 body corporate and place considerable importance on maintaining a strong control environment. To enable the trustees 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 body corporate and all employees are required to maintain the highest ethical standards in ensuring the body corporate's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the body corporate is on identifying, assessing, managing and monitoring all known forms of risk across the body corporate. 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 annual 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 body corporate's cash flow forecast for the year to 31 July 2021 and, in the light of this review and the current financial position, they are satisfied that the body corporate has or has access to adequate resources to continue in operational existence for the foreseeable future.

The trustees are aware of the legislation that was introduced by the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011) on 7 October 2016. This legislation requires that the body corporate maintain a reserve fund of not less than 25% of the previous year's operational levies. In order to achieve this, the trustees will include an adjustment in the budgets for 2021 and 2022 to comply with Regulation 2(a) and 2(c).

The external auditors are responsible for independently auditing and reporting on the body corporate's annual financial statements. The annual financial statements have been examined by the body corporate's external auditors and their report is presented on pages 2 to 4.

The annual financial statements set out on pages 6 to 17, which have been prepared on the going concern basis, were approved by the board of trustees and were signed on its behalf by:

Approval of annual financial statements

Trustee

Trustee

Date: 21-6-21

Trustees' Report

The trustees submit their report for the year ended 31 July 2020.

1. Review of activities

Main business and operations

The body corporate is engaged in governing the property and operates principally in South Africa.

The controlling body was established to administer the common property of the Sectional Scheme known as The Adderley, situated at 31 Adderley Street, Cape Town, being Erf number 165778, for which a Sectional Title Register was opened.

All expenses applicable to the common property and administration are recovered from the various section owners by means of a monthly levy in terms of the rules of the body corporate and are in accordance with the participation quota applicable to each section.

2. 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 annual financial statements.

3. Contributions

Contributions paid by sections owners and interest earned during the year were sufficient to meet expenditure, resulting in a levy surplus of R 905,444 (2019: R 362,902).

4. Trustees

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

Name
S Broekmann
S Dayton
S De Muynk
A Ferguson
A Lloyd Sim
D Pillay
G Wolffaardt

5. Managing Agent

The managing agent of the body corporate is Permanent Trust Property Management (Pty) Ltd of:

Business address	1st Floor One on Estuaries 1 Oxbow Crescent The Estuaries Century City 7441
Postal address	PO Box 5091 Cape Town 8000

6. Management and conduct rules

There were no amendments or additions to the management and conduct rules.

7. Estimates of income and expenditure for the 2021 financial year

A budget for the next financial year will be presented for approval at the forthcoming annual general meeting.

8. Insured replacement values

A schedule of the replacement values of all the units will be tabled for approval at the forthcoming annual general meeting.

9. Auditors

Cecil Kilpin & Co. was the auditor for the year under review and their re-appointment is dependent on a resolution taken to that effect by the section owners at the forthcoming annual general meeting.

Statement of Financial Position as at 31 July 2020

	Note(s)	2020 R	2019 R
Assets			
Current Assets			
Trade and other receivables	2	1,391,375	194,046
Cash and cash equivalents	3	3,548,669	4,064,745
		4,940,044	**4,258,791**
Total Assets		**4,940,044**	**4,258,791**
Equity and Liabilities			
Members' funds and reserves			
Accumulated surplus		4,057,352	3,151,908
Liabilities			
Current Liabilities			
Trade and other payables	4	703,611	822,410
Current tax payable		179,081	284,473
		882,692	**1,106,883**
Total Equity and Liabilities		**4,940,044**	**4,258,791**

Statement of Comprehensive Income

	Note(s)	2020 R	2019 R
Revenue	5	5,848,910	5,777,690
Other income		406,716	285,480
Operating expenses		(5,448,859)	(5,922,030)
Operating surplus		**806,767**	**141,140**
Investment revenue	6	230,095	288,769
Finance costs	10	(65,256)	(155)
Surplus before taxation		**971,606**	**429,754**
Taxation	11	(66,162)	(66,852)
Surplus		**905,444**	**362,902**

Statement of Changes in Equity

	Accumulated surplus R	Total members' funds and reserves R
Balance at 01 August 2018	**2,789,006**	**2,789,006**
Surplus	**362,902**	**362,902**
Opening balance as previously reported	3,798,286	3,798,286
Adjustments		
Prior period error (Note 15)	(646,378)	(646,378)
Balance at 01 August 2019 as restated	**3,151,908**	**3,151,908**
Surplus	**905,444**	**905,444**
Balance at 31 July 2020	**4,057,352**	**4,057,352**

Statement of Cash Flows

	Note(s)	2020 R	2019 R
Cash flows from operating activities			
Cash (used in) generated from operations	12	(509,361)	524,982
Interest income		230,095	288,769
Finance costs		(65,256)	(155)
Tax paid	13	(171,554)	-
Net cash from operating activities		**(516,076)**	**813,596**
Total cash movement for the year		**(516,076)**	**813,596**
Cash at the beginning of the year		4,064,745	3,251,149
Total cash at end of the year	3	**3,548,669**	**4,064,745**

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 accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Trade and other receivables, loans and trade and other payables

Trade and other receivables, loans and trade and other payables are measured at cost less any impairment. At the end of 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 so, an impairment loss is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

In terms of the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011) a reserve fund is maintained for the purposes of future maintenance and repairs to common property.

1.2 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.

Tax expenses

The body corporate is taxed in terms of section 10(1)(e) of the Income Tax Act, 1962. In terms of this section, levy income and recoveries are fully exempt. All other income is exempt up to a maximum of R50,000 per annum. Therefore, taxation is calculated and provided for on investment income and other income greater than R50,000 per annum less a portion of deductible administrative expenses.

1.3 Impairment of assets

The body corporate assesses at each reporting date whether there is any indication that an asset may be impaired.
If any such indication exists, the body corporate estimates the recoverable amount of the asset.

1.4 Provisions and contingencies

Provisions are recognised when the body corporate has an obligation at the reporting date as a result of a past event; it is probable that the body corporate will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are not recognised for future operating losses.

1.5 Revenue

The ordinary levies are accounted for on a straight-line basis over the financial year and divided amongst the section owners on a participation quota basis. The annual ordinary levies are agreed and approved by the members at the body corporate's annual general meeting.

Levies have been accounted for on the accrual basis and therefore includes outstanding amounts owing by the owners.

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

Notes to the Annual Financial Statements

	2020 R	2019 R
2. Trade and other receivables		
Levies in arrears	498,832	111,584
City of Cape Town	420,523	-
Debtors for municipal recoveries due	28,327	26,156
Deposits	3,448	3,448
Lindol Hygiene Services	967	-
Permanent Trust Management - Trust Account	433,083	40,046
Prepayments	-	4,417
Staff loans	6,195	8,395
	1,391,375	**194,046**

Ageing of levies

	2020					2019
	Current	30 days	60 days	90 days +	Total	Total
Levies in arrears	183,128	92,706	91,307	131,691	498,832	111,584

The detailed age analysis of levies in arrears is available for inspection at the registered office of the body corporate.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

	2020 R	2019 R
Petty cash	2,126	4,836
Administrative Fund - FNB 62425085083 and Standard Bank 270922679	105,870	807,101
Reserve Fund - FNB 74425085252	3,440,673	3,252,808
	3,548,669	**4,064,745**

Reconciliation of Reserve Fund

Major capital items	Amount in the reserve at year end	Estimated total cost for 10 years	Percentage saved	Surplus (Deficit)
Electrical	78,522	232,298	33.80 %	(153,776)
Plumbing	122,419	362,164	33.80 %	(239,745)
Heating and cooling systems	73,451	217,298	33.80 %	(143,847)
Carpet and furnishing	24,484	72,433	33.80 %	(47,949)
Roof areas	256,120	757,704	33.80 %	(501,584)
Painting and repairs	2,305,205	6,819,726	33.80 %	(4,514,521)
Waterproofing	30,749	90,967	33.80 %	(60,218)
Communication and service supply systems	36,726	108,649	33.80 %	(71,923)
Parking	228,985	677,429	33.80 %	(448,444)
Security systems and facilities	122,419	362,164	33.80 %	(239,745)
Community and recreational facilities	161,593	478,057	33.80 %	(316,464)
	3,440,673	**10,178,889**		**(6,738,216)**

Notes to the Annual Financial Statements

	2020 R	2019 R

4. Trade and other payables

	2020 R	2019 R
Accrued expenses	150,150	292,849
Levies received in advance	200,762	223,666
VAT	270,140	270,140
Deposits received	71,398	26,402
Sundry creditors	11,161	9,353
	703,611	**822,410**

Accrued expenses - age analysis by creditor

	2020					2019
	Current	**30 days**	**60 days**	**90 days +**	**Total**	**Total**
Averda South Africa (Pty) Ltd	9,918	-	-	-	9,918	-
CID Levy and rates	-	-	-	-	-	3,066
CSOS	2,663	-	-	-	2,663	2,382
Cecil Kilpin & Co.	33,195	-	-	-	33,195	30,212
City of Cape Town	-	-	-	-	-	240,338
Elite Pool Care	2,034	-	-	-	2,034	-
Intelligent Power	6,083	-	-	-	6,083	-
Meter It	-	-	-	-	-	649
Permanent Trust	-	-	-	-	-	1,098
Power Measurement	21,263	-	-	-	21,263	6,149
SARS - PAYE	5,197	-	-	-	5,197	4,638
SARS - UIF	2,874	-	-	-	2,874	2,926
Schindler Lifts SA (Pty) Ltd	64,923	-	-	-	64,923	-
Telkom	2,000	-	-	-	2,000	1,391
Total	**150,150**	**-**	**-**	**-**	**150,150**	**292,849**

5. Revenue

	2020 R	2019 R
Ordinary levies	5,818,571	5,747,675
CSOS levies	30,339	30,015
	5,848,910	**5,777,690**

6. Investment revenue

	2020 R	2019 R
Interest revenue		
Staff loan	-	1,239
Bank	210,446	228,610
Overdue owners' accounts	19,649	58,920
	230,095	**288,769**

7. Auditor's remuneration

	2020 R	2019 R
Fees	32,120	29,222

Notes to the Annual Financial Statements

	2020 R	2019 R

8. Insurance policy details

Buildings insurance

Insurance company	The Hollard Insurance Company Limited
Policy Number	CPT/HSTANP/000090952
Expiry date	31/07/2021
Payment basis	Annually
Total replacement value	R 615,876,940

Trustee indemnity insurance

Insurance company	The Hollard Insurance Company Limited
Policy Number	CPT/HSTANP/000090952
Expiry date	31/07/2021
Payment basis	Annually
Total sum insured	R 10,000,000

9. Repairs and maintenance - Administrative Fund

	2020 R	2019 R
Access control	32,710	-
Aircon & Chiller	-	13,340
Bulding repairs	4,936	191,033
CCTV cameras	-	5,410
COVID-19	21,308	-
Carpets and tiling	-	82,910
Cleaning material	17,256	28,244
Doors	18,481	-
Doors, keys and locks	-	34,968
Electrical	32,326	152,471
Fire equipment	185,213	116,629
Furniture	6,570	-
Gardening	39,210	-
Gates and booms	-	10,466
General	34,589	145,744
Generator	7,542	-
Gym expenses	1,670	-
Intercom	17,065	12,811
Lift	177,036	5,218
Painting	51,395	270,632
Paving	63,388	-
Pest control	22,969	19,489
Plumbing	95,889	61,324
Pool	30,657	39,564
Pumps	3,942	-
Radio equipment	3,851	9,516
Roofs and gutters	81,845	6,250
Rubble removal	5,000	-
Scaffolding	9,000	8,938
Security	-	950
Signage	14,535	-
Waterproofing	60,702	522,541
Window cleaning	37,025	33,936
	1,076,110	**1,772,384**

Notes to the Annual Financial Statements

	2020 R	2019 R

10. Finance costs

South African Revenue Services	65,256	155

11. Taxation

Major components of the tax expense

Current taxation		
South African normal tax - current year	66,162	66,852

The body corporate is subject to tax at the company rate of 28% on the net investment income, in excess of R 50,000, in terms of Section 10(1)(e) of the Income Tax Act.

12. Cash (used in) generated from operations

Surplus before taxation	971,606	429,754
Adjustments for:		
Interest received	(230,095)	(288,769)
Finance costs	65,256	155
Changes in working capital:		
Trade and other receivables	(1,197,329)	278,951
Trade and other payables	(118,799)	104,891
	(509,361)	**524,982**

13. Tax paid

Balance at beginning of the year	(284,473)	(217,621)
Current tax for the year recognised in loss	(66,162)	(66,852)
Balance at end of the year	179,081	284,473
	(171,554)	-

14. Contingencies

The body corporate has not been registered for VAT under its Sectional Title Scheme number SS 260/2002.

It was discovered that the body corporate has been raising and claiming VAT based on a VAT number that was registered by the Developer in the name of The Adderley Syndication Body Corporate Ltd. When the Developer liquidated it resulted that in SARS freezing the VAT account.

The trustees are of the opininion that this confusion and erroneous submission could result in a future obligation by the body corporate and wish to bring this to the attention of the users of the Annual Financial Statements.

The situation has been discussed with SARS and a VAT ruling requested in terms of 41B of the VAT Act under application number 2017/463.

Pending the ruling it is not possible to quantify the potential impact of the errors.

Notes to the Annual Financial Statements

	2020 R	2019 R

15. Prior period errors

The City of Cape Town statement of accounts did not disclose the municipal reversal of estimates in the correct periods.

The correction of the errors results in adjustments as follows:

	2020 R	2019 R
Statement of Financial Position		
Trade and Other Payables: Municipal	-	(646,378)
Opening Accumulated Surplus	646,378	-
Surplus or Deficit		
Operating Expenses: Municipal reversal of estimates	(646,378)	-

Detailed Income Statement

	Note(s)	2020 R	2019 R
Revenue			
Ordinary levies		5,818,571	5,747,675
CSOS levies		30,339	30,015
	5	**5,848,910**	**5,777,690**
Other income			
Fines and penalties		-	3,000
Interest received	6	230,095	288,769
Laundry income		-	5,200
Recoveries		348,478	293,834
Rental income		58,238	(16,554)
		636,811	**574,249**
Operating expenses			
Accounting fees		1,064	989
Auditors remuneration	7	32,120	29,222
Bank charges		22,346	17,049
CSOS levies		30,339	30,015
Computer expenses		125,967	50,136
Electricity		351,755	402,397
Employee costs		2,028,549	1,920,896
Insurance		270,903	239,376
Internet office		220,211	-
Legal fees		549,772	55,544
Lift audit		3,238	-
Lift contract		172,710	168,254
Management fees		152,725	147,798
Meeting costs		1,360	-
Meter reading services		4,355	2,867
Municipal reversal of estimates		(646,378)	-
Municipal sundry		117,980	-
Office expenses		2,689	-
Petrol and oil		16,700	12,600
Printing and stationery		33,653	9,289
Professional fees		110,049	108,624
Rates		3,762	8,708
Refuse		107,377	109,727
Rent paid		21,394	21,095
Repairs and maintenance - Administrative Fund		1,076,110	1,772,384
Sanitation and hygiene		66,957	89,546
Security		-	16,548
Sewerage		214,677	326,569
Staff uniforms		71,495	23,232
Sundry expenses		438	-
Telephone and fax		25,657	43,571
Water		258,885	315,594
		5,448,859	**5,922,030**
Operating surplus		**1,036,862**	**429,909**
Finance costs	10	(65,256)	(155)
Surplus before taxation		**971,606**	**429,754**
Taxation	11	(66,162)	(66,852)
Surplus		**905,444**	**362,902**