

Villa E'Trucia Body Corporate  
(Registration number SS 657/2001, 71/2002, 72/2002)  
Annual Financial Statements  
for the year ended 31 October 2015

WeDo Inc  
Chartered Accountants (S.A.)  
Registered Auditors

**Villa E'Trucia Body Corporate**  
(Registration number SS 657/2001, 71/2002, 72/2002)  
Annual Financial Statements for the year ended 31 October 2015

## **Contents**

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

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## Independent Auditor's Report

### To the owners of Villa E'Trucia Body Corporate

We have audited the annual financial statements of Villa E'Trucia Body Corporate, as set out on pages 5 to 11, which comprise the statement of financial position as at 31 October 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Trustees' Responsibility for the Annual Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

### Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Villa E'Trucia Body Corporate as at 31 October 2015, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Sectional Titles Act, 1986 (Act No. 95 of 1986).

**WeDo Inc**  
**Chartered Accountants (S.A.)**  
**Registered Auditors**

**Per: C.J. Haasbroek**

**25 January 2016**

**Mogale City**



## **Trustees' Responsibilities and Approval**

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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 International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent 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 October 2016 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 external auditor's is responsible for independently reviewing and reporting on the body corporate's annual financial statements. The annual financial statements have been examined by the body corporate's external auditor's and their report is presented on page 2.

The annual financial statements set out on pages 5 to 11, which have been prepared on the going concern basis, were approved by the board on 25 January 2016 and were signed on its behalf by:

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**Trustee**

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**Trustee**

**Villa E'Trucia Body Corporate**  
(Registration number SS 657/2001, 71/2002, 72/2002)  
Annual Financial Statements for the year ended 31 October 2015

## **Trustees' Report**

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

### **1. Review of activities**

#### **Main business and operations**

The body corporate is engaged in managing the collective interests of the owners of the property and operates principally in South Africa.

### **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 the reporting period**

The trustees are not aware of any matter or circumstance arising since the end of the financial year.

### **4. Trustees**

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

Name  
E. Essop  
T. Fischer  
K. Jaaks  
L. Mey  
G. Pearl  
K. Pienaar  
P. Rainbow  
G. Roux

### **5. Managing Agent**

The managing agent of the body corporate is Angor Property Specialists (Pty) Ltd of:

Business address

Lincoln House  
Epsom Downs Office Park  
Sloane Street  
Bryanston  
2021

Postal address

P O Box 787319  
Sandton  
2146

# Villa E'Trucia Body Corporate

(Registration number SS 657/2001, 71/2002, 72/2002)

Annual Financial Statements for the year ended 31 October 2015

## Statement of Financial Position

Figures in Rand	Note(s)	2015	2014
<b>Assets</b>			
<b>Non-Current Assets</b>			
Municipal deposits		51,288	51,288
<b>Current Assets</b>			
Cash and cash equivalents	2	1,339,044	1,476,904
Current tax receivable		2,025	333
Trade and other receivables	3	194,410	118,153
		<b>1,535,479</b>	<b>1,595,390</b>
<b>Total Assets</b>		<b>1,586,767</b>	<b>1,646,678</b>
<b>Equity and Liabilities</b>			
<b>Members' funds and reserves</b>			
Accumulated surplus		1,238,168	1,190,731
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Members deposits		7,373	7,373
<b>Current Liabilities</b>			
Trade and other payables	4	341,226	448,574
<b>Total Liabilities</b>		<b>348,599</b>	<b>455,947</b>
<b>Total Equity and Liabilities</b>		<b>1,586,767</b>	<b>1,646,678</b>

# Villa E'Trucia Body Corporate

(Registration number SS 657/2001, 71/2002, 72/2002)

Annual Financial Statements for the year ended 31 October 2015

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2015	2014
<b>Revenue</b>			
Levies other		10,080	10,080
Ordinary levies		1,520,246	1,425,356
		<b>1,530,326</b>	<b>1,435,436</b>
<b>Other income</b>			
Interest received - banks		76,410	66,068
Interest received - owners		69,291	48,857
		<b>145,701</b>	<b>114,925</b>
<b>Operating expenses</b>			
Administration and management fees		81,961	78,528
Auditor's remuneration		7,040	6,400
Bank charges		2,025	1,250
Casual wages		2,700	-
Cleaning		-	1,091
Consulting fees		67,200	67,200
Insurance	8	122,294	106,525
Legal expenses		1,723	-
Meeting expenses		690	1,390
Municipal expenses	6	229,525	503,410
Printing and stationery		-	255
Public officer fees		1,710	1,710
Repairs and maintenance	5	643,082	292,980
Salaries and wages		81,002	73,954
Security		350,091	332,035
Staff welfare		800	4,600
Telephone and fax		10,136	11,138
		<b>1,601,979</b>	<b>1,482,466</b>
<b>Surplus before taxation</b>		<b>74,048</b>	<b>67,895</b>
Taxation	7	26,613	17,629
<b>Surplus for the year</b>		<b>47,435</b>	<b>50,266</b>

## **Villa E'Trucia Body Corporate**

(Registration number SS 657/2001, 71/2002, 72/2002)  
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### **Statement of Changes in Equity**

Figures in Rand	Accumulated surplus	Total equity
<b>Balance at 01 November 2013</b>	<b>1,140,465</b>	<b>1,140,465</b>
<b>Surplus for the year</b>	<b>50,266</b>	<b>50,266</b>
<b>Balance at 01 November 2014</b>	<b>1,190,731</b>	<b>1,190,731</b>
<b>Surplus for the year</b>	<b>47,437</b>	<b>47,437</b>
<b>Balance at 31 October 2015</b>	<b>1,238,168</b>	<b>1,238,168</b>



# Villa E'Trucia Body Corporate

(Registration number SS 657/2001, 71/2002, 72/2002)  
Annual Financial Statements for the year ended 31 October 2015

## Statement of Cash Flows

Figures in Rand	Note(s)	2015	2014
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	9	(185,965)	101,069
Interest income		76,410	66,068
Tax paid		(28,305)	(17,929)
<b>Net cash from operating activities</b>		<b>(137,860)</b>	<b>149,208</b>
<b>Total cash movement for the year</b>			
		<b>(137,860)</b>	<b>149,208</b>
Cash at the beginning of the year		1,476,904	1,327,696
<b>Total cash at end of the year</b>	2	<b>1,339,044</b>	<b>1,476,904</b>

## **Accounting Policies**

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### **1. Presentation of annual financial statements**

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities. 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, except for the changes set out in note First-time adoption of the International Financial Reporting Standard for Small and Medium-sized Entities.

#### **1.1 Financial instruments**

##### **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.

##### **Trade and other receivables**

Trade and other receivables are measured at initial recognition at cost, and are subsequently measured at amortised cost using the effective interest rate method. At each reporting date, the carrying amount of trade and other receivables 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.

##### **Trade and other payables**

Trade and other payables are initially measured at cost, and are subsequently measured at amortised cost, using the effective interest rate method.

#### **1.2 Revenue**

Revenue is recognised to the extent that the body corporate has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the body corporate. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

**Villa E'Trucia Body Corporate**  
(Registration number SS 657/2001, 71/2002, 72/2002)  
Annual Financial Statements for the year ended 31 October 2015

## Notes to the Annual Financial Statements

Figures in Rand	2015	2014
<b>2. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Absa Current Account 4077701372	172,328	311,334
Investec CCM Call Money Fund 50005493494	1,166,716	1,165,570
	<b>1,339,044</b>	<b>1,476,904</b>
<b>3. Trade and other receivables</b>		
In respect of members levies and electricity	172,157	122,756
Insurance claims	22,253	(4,603)
	<b>194,410</b>	<b>118,153</b>
<b>4. Trade and other payables</b>		
Auditors' remuneration	7,040	6,400
City of Johannesburg - 221414144	(19,989)	79,153
City of Johannesburg - 402571935	(160,292)	(58,805)
Creditors control	1,199	6,355
Ex owner control account	19,658	19,658
Provision for gardens	8,692	-
Provision for security	29,104	-
Provision for painting	455,316	395,316
Unallocated receipts	502	502
	<b>341,226</b>	<b>448,574</b>
<b>5. Repairs and maintenance</b>		
Electrical maintenance	30,884	36,195
Fire equipment	2,340	1,560
Garden maintenance	10,766	4,508
Garden service	103,320	100,450
General building maintenance	314,127	31,727
Painting	60,000	101,640
Pest control	5,871	912
Plumbing	12,062	8,516
Security maintenance	75,050	4,806
Swimming pool expenses	28,663	2,667
	<b>643,082</b>	<b>292,980</b>
<b>6. Municipal expenses</b>		
Electricity paid	688,180	654,690
Electricity recovered	(675,659)	(427,491)
Interest on municipal arrears	128	78
Sewerage	230,306	208,048
Water paid	(13,429)	68,084
	<b>229,525</b>	<b>503,410</b>

**Villa E'Trucia Body Corporate**  
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## Notes to the Annual Financial Statements

Figures in Rand	2015	2014
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### 7. Taxation

#### Major components of the tax expense

##### Current

Local income tax - current period	25,996	17,629
Local income tax - recognised in current tax for prior periods	617	-
	<b>26,613</b>	<b>17,629</b>

All levy income from members and the first R 50,000 of all other income is tax exempt. A proportionate share of accounting, audit and bank charge expenses are allowed as a deduction against the taxable income above R 50,000.

### 8. Insurance

Insurance company	The Hollard Insurance Company Limited
Policy number	IZIB31920
Total sum insured	R 130,186,376
Period of cover	On an annually paid basis

### 9. Cash (used in) generated from operations

Surplus before taxation	74,049	67,895
<b>Adjustments for:</b>		
Interest received	(76,410)	(66,068)
<b>Changes in working capital:</b>		
Trade and other receivables	(76,256)	(928)
Trade and other payables	(107,348)	100,170
	<b>(185,965)</b>	<b>101,069</b>

# Villa E'Trucia Body Corporate

(Tax registration number )

(Registration number SS 657/2001, 71/2002, 72/2002)

Annual Financial Statements for the year ended 31 October 2015

## Tax Computation

Figures in Rand	2015
Net profit per income statement	145,701
<b>Permanent differences</b>	
Section 10(1)(e)(ii) tax exemption	(50,000)
Pro-rata expenses	(2,858)
	<b>(52,858)</b>
<b>Taxable income for 2015</b>	<b>92,843</b>
<b>Tax thereon @ 28% in the Rand</b>	<b>25,996</b>
<b>Reconciliation of tax balance</b>	
Amount owing/(prepaid) at the beginning of year	(333)
Prior year adjustment	617
Amount refunded/(paid) in respect of prior year	(284)
<b>Amount owing/(prepaid) in respect of prior year</b>	<b>-</b>
<b>Tax owing/(prepaid) for the current year:</b>	
<b>Normal tax</b>	
Per calculation	25,996
1st provisional payment	(12,679)
2nd provisional payment	(15,342)
	<b>(2,025)</b>
<b>Amount owing/(prepaid) at the end of year</b>	<b>(2,025)</b>

## Villa E'Trucia Body Corporate

(Registration number SS 657/2001, 71/2002, 72/2002)  
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### Supplementary Information

Property	Tenant	Status	Total	Current	30 Days	60 Days	90 Days	120+ Days
Unit 1	VETH01028 - T D van Aswegen	OWNER	-3,203.98	-3,203.98	-	-	-	-
Unit 2	VETH002029 - S Liu	OWNER	-22.62	-22.62	-	-	-	-
Unit 3	VETH003011 - D L Maidment	OWNER	-4,097.75	-4,097.75	-	-	-	-
Unit 4	VETH004021 - S A Mhlongo	OWNER	-4,299.42	-4,299.42	-	-	-	-
Unit 5	VETH005013 - MANITSHANA, MICHAEL THEMBA	OWNER	77,915.47	6,855.71	11,892.59	7,245.90	5,966.18	45,955.09
Unit 6	VETH006041 - I Bester & V Holthehausen	OWNER	-4,004.12	-4,004.12	-	-	-	-
Unit 7	VETH007015 - T M Sukazi	OWNER	3,939.87	3,939.87	-	-	-	-
Unit 9	VETH009017 - L F Mey	OWNER	-5,945.82	-5,945.82	-	-	-	-
Unit 10	VETH010020 - B Brett	OWNER	-3,403.17	-3,403.17	-	-	-	-
Unit 13	VETH013032 - T Krumples	OWNER	-2,299.31	-2,299.31	-	-	-	-
Unit 14	VETH014015 - B M Widlake	OWNER	-2,100.08	-2,100.08	-	-	-	-
Unit 16	VETH016017 - Warrengue Properties CC	OWNER	-1,878.64	-1,878.64	-	-	-	-
Unit 17	VETH017027 - K R & T L Jaacks (Karl - Trustee)	OWNER	-2,263.88	-2,263.88	-	-	-	-
Unit 18	VETH018019 - A Higgs	OWNER	-2,578.24	-2,578.24	-	-	-	-
Unit 19	VETH019010 - MPOBANE, BABALWA REAMOHETSE	OWNER	5,380.11	3,128.16	2,251.95	-	-	-
Unit 20	VETH020014 - Leavehome Prop 1 CC	OWNER	-2,164.84	-2,164.84	-	-	-	-
Unit 21	VETH021024 - B Seiso	OWNER	-2,544.53	-2,544.53	-	-	-	-
Unit 22	VETH022043 - C Govender & R Jagersar	OWNER	-2,778.58	-2,778.58	-	-	-	-
Unit 23	VETH023026 - M B Sibiya & T Y Sibiya (Nee Ndlovu)	OWNER	1,291.19	1,291.19	-	-	-	-
Unit 24	VETH024018 - NICOLE, CIARA-MICHELLE (S N Pienaar) (TRF)	OWNER	12,667.05	3,219.88	8,466.18	980.99	-	-
Unit 26	VETH026029 - A Brotherton (Nee Kotze)	OWNER	-2,141.96	-2,141.96	-	-	-	-
Unit 27	VETH027020 - G P Mvelase & K L Talom	OWNER	-1,925.66	-1,925.66	-	-	-	-
Unit 28	VETH028012 - C T Marrian	OWNER	-6,483.44	-6,483.44	-	-	-	-
Unit 29	VETH029013 - Unit 29 Villa E'Trucia PTY LTD	OWNER	13.44	13.44	-	-	-	-
Unit 31	VETH031036 - K McLelland & C Coetzer	OWNER	-1,931.72	-1,931.72	-	-	-	-
Unit 31	VETHU0031 - PREPAID (Util)	OWNER	-0.06	-0.06	-	-	-	-
Unit 33	VETH033010 - S Govender & T Reddy	OWNER	-2,545.76	-2,545.76	-	-	-	-
Unit 34	VETH034020 - Smith S J & LC (nee Pickford)	OWNER	-2,502.37	-2,502.37	-	-	-	-

# Villa E'Trucia Body Corporate

(Registration number SS 657/2001, 71/2002, 72/2002)  
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## Supplementary Information

Unit 36	VETH036013 - A Perryman	OWNER	-1,892.27	-1,892.27	-	-	-	-
Unit 37	VETH037014 - T V Fischer	OWNER	2,181.65	2,181.65	-	-	-	-
Unit 38	VETH038015 - N E Bantom	OWNER	-2,077.05	-2,077.05	-	-	-	-
Unit 39	VETH039025 - K Makoni	OWNER	-0.46	-0.46	-	-	-	-
Unit 40	VETH040010 - SCHAERER, ROBYN ZOE	OWNER	-2,200.03	-2,200.03	-	-	-	-
Unit 41	VETH041020 - H & S A Essop (Ebrahim - Trustee)	OWNER	1,006.03	1,006.03	-	-	-	-
Unit 42	VETH042021 - Pienaar KA	OWNER	-35.26	-35.26	-	-	-	-
Unit 44	VETH044014 - K A Millhouse	OWNER	-1,881.02	-1,881.02	-	-	-	-
Unit 45	VETH045024 - G Roux & B Duvenhage (TRF)	OWNER	-3,149.24	-3,149.24	-	-	-	-
Unit 47	VETH047017 - J A Venter & S Shepherd	OWNER	-568.20	-568.20	-	-	-	-
Unit 48	VETH048027 - M & G Pearl (Genevere - Trustee)	OWNER	-3,430.92	-3,430.92	-	-	-	-
Unit 49	VETH049019 - B Hausberger	OWNER	-0.81	-0.81	-	-	-	-
Unit 52	VETH052024 - A M George	OWNER	-1,922.48	-1,922.48	-	-	-	-
Unit 54	VETH054026 - BANDA, ALFRED	OWNER	12,392.12	4,335.70	2,554.92	2,582.61	2,458.41	460.48
Unit 55	VETH055018 - Holographix Properties 342 (Pty) Ltd (TRF)	OWNER	-6,115.98	-6,115.98	-	-	-	-
Unit 57	VETH057029 - WJ & RA Hewitt	OWNER	-2,846.95	-2,846.95	-	-	-	-
Unit 58	VETH058021 - S Kock VETH059013 - ROQOZA, LUXOLO	OWNER	-2,117.14	-2,117.14	-	-	-	-
Unit 59	THABISO VETH060016 - Holographix Properties 342 (TRF)	OWNER	157,617.35	7,792.09	5,784.51	7,508.72	5,800.95	130,731.08
Unit 60		OWNER	-6,615.47	-6,615.47	-	-	-	-
Unit 63	VETH063028 - M Paile VETH064010 - E	OWNER	-2,091.52	-2,091.52	-	-	-	-
Unit 64	Ukama & K Mandava VETH066021 - S M	OWNER	-2,218.39	-2,218.39	-	-	-	-
Unit 66	Smuts VETH068023 - C N	OWNER	2,593.19	2,123.84	469.35	-	-	-
Unit 68	Mokone VETH069024 - A E	OWNER	-4,568.19	-4,568.19	-	-	-	-
Unit 69	Olendzki-Brown & J Nel	OWNER	6.49	6.49	-	-	-	-
			172,156.63	-68,953.28	31,419.50	18,318.22	14,225.54	177,146.65