

Swiftlands Home Owners Association

Annual Financial Statements

for the year ended 31 August 2025

Swiftlands Home Owners Association

Annual financial statements

for the year ended 31 August 2025

General Information

Country of establishment and domicile	South Africa
Nature of business and principal activities	Home Owners Association
Trustees	P. Daya T. Dyantyi E. Frauenstein P. Herbst S. Maseko P. Qutywa
Business and physical address	Swiftlands Swift Crescent Beacon Bay East London
Service and postal address	Own Haven Property Management 320 Oxford Street Belgravia East London
Bankers	ABSA Bank
Managing agent	Own Haven Property Management 320 Oxford Street Belgravia East London
Auditor	D.A. Hartmann CA(SA) RA Chartered Accountant (SA) - Registered Auditor
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Sectional Titles Schemes Management Act, 2011 (Act No. 8 of 2011).
Preparer	The annual financial statements were independently compiled by N.A. Haschick CA(SA)
Issued	21 October 2025

Swiftlands Home Owners Association

Annual Financial Statements

for the year ended 31 August 2025

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Level of assurance

These annual financial statements have been audited in compliance with the requirements of the members of the Home Owners Association.

The Trustees' Responsibilities and Trustees' Report do not form part of the annual financial statements and are unaudited.

Preparer



N.A. Haschick CA(SA)
21 October 2025

Independent Auditors Report
to the members of
Swiftlands Home Owners Association

Report on the Audit of the Financial Statements

Opinion

We have audited the annual financial statements of Swiftlands Home Owners Association set out on pages 4 to 9 which comprise the statement of financial position as at 31 August 2025, the statement of comprehensive income, statement of changes in equity, 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 Swiftlands Home Owners Association as at 31 August 2025, and its financial performance and cash flows for the year then ended in accordance with the requirements of the home owners association constitution and International Financial Reporting Standard for Small and Medium-sized Entities.

Basis of 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 home owners association 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. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the Financial Statements

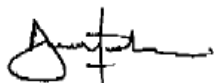
The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities as well as for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors 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 ISAs 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on auditor 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 homeowners association are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the home owners association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the annual financial statements.

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



D.A. Hartmann CA(SA)
Registered Auditor
21 October 2025

Swiftlands Home Owners Association

Trustees Responsibilities and Approval

for the year ended 31 August 2025

The Trustees are required in terms of the Constitution 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 the Trustee's responsibility to ensure that the annual financial statements fairly present the state of affairs of the home owners association at the end of the financial year and the results of its operations for the period then ended, in conformity with International Financial Reporting Standards for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards 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 Trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the home owners association 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 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 home owners association and all employees are required to maintain the highest ethical standards in ensuring the home owners association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the home owners association is on identifying, assessing, managing and monitoring all known forms of risk across the home owners association. While operating risk cannot be fully eliminated, the home owners association 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, explanations and management structures, 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 home owners association's cash flow forecast for the year to 31 August 2026 and, in the light of this review and the current financial position, they are satisfied that the home owners association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the home owners association's annual financial statements. The annual financial statements have been examined by the home owners association's external auditors and their report is presented on page 1.

The annual financial statements set out on pages 4 to 9 were approved by the Trustees and signed on their behalf by:

Trustee
21 October 2025

Trustee
21 October 2025

Swiftlands Home Owners Association

Trustees Report

for the year ended 31 August 2025

The Trustees present their report for the year ended 31 August 2025

1 Review of activities

Main business and operations

The principal activity of the home owners association is the control, administration and management of the common property and there were no major changes herein during the year.

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

2 Basis of presentation

The annual financial statements have been prepared on the basis of accounting policies applicable to a home owners association. 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

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

4 Trustees

The Trustees of the home owners association during the year and to the date of this report are as follows:

P. Daya

T. Dyantyi

E. Frauenstein

P. Herbst

S. Maseko

P. Qutywa

5 Managing Agents

Own Haven Property Management (Pty) Ltd

6 Auditors

D.A. Hartmann CA(SA) RA

Swiftlands Home Owners Association

Statement of financial position

at 31 August 2025

	<i>Note</i>	2025		2024	
		R	R	R	R
Assets					
Current assets			1 386 754		1 132 079
Levies in arrears	1	165 266		118 148	
Other receivables	2	167 185		172 752	
Cash and cash equivalents	3	<u>1 054 303</u>		<u>841 179</u>	
Total assets			<u>1 386 754</u>		<u>1 132 079</u>
Funds and liabilities					
Funds			1 288 454		1 031 173
Accumulated funds	4	<u>1 288 454</u>		<u>1 031 173</u>	
Current liabilities			98 300		100 906
Levies in advance	5	35 495		33 171	
Other payables	6	54 096		63 002	
Taxation payable		<u>8 709</u>		<u>4 733</u>	
Total funds and liabilities			<u>1 386 754</u>		<u>1 132 079</u>

Swiftlands Home Owners Association

Statement of comprehensive income

for the year ended 31 August 2025

	Note	2025		2024	
		R	R	R	R
Income			554 985		526 139
Members levies and contributions		488 435		456 734	
Investment interest received		<u>66 550</u>		<u>69 405</u>	
Expenses			293 728		356 702
Accounting fees		1 675		1 575	
Audit fee		9 350		8 775	
Bank charges		4 174		3 871	
Electricity and water		71 154		(113 550)	
Expense		<u>706 621</u>		<u>618 355</u>	
Admin fee - Ideal Prepaid		17 700		17 700	
Recovery		<u>(653 167)</u>		<u>(749 605)</u>	
Insurance	7	13 164		10 835	
Legal and professional fees		0		16 665	
Management fee		61 837		58 414	
Meeting costs		1 800		800	
Repairs and maintenance		130 574		369 317	
Cleaning, garden and pest control		<u>99 157</u>		<u>99 902</u>	
Electrical		750		9 998	
Equipment and tools		2 048		0	
General		14 390		7 359	
Plumbing		6 544		6 869	
Security systems and equipment		7 685		20 253	
Walling and paving		<u>0</u>		<u>224 936</u>	
Surplus before taxation			<u>261 257</u>		<u>169 437</u>
Taxation	8		(3 976)		(4 733)
Surplus for the year			<u>257 281</u>		<u>164 704</u>

Swiftlands Home Owners Association

Statement of changes in equity

for the year ended 31 August 2025

	Accumulated funds R
Balance at 1 September 2023	866 469
Surplus for the year	164 704
Balance at 1 September 2024	<u>1031 173</u>
Surplus for the year	257 281
Balance at 31 August 2025	<u>1 288 454</u>
<i>Note</i>	4

Swiftlands Home Owners Association

Statement of cash flows

for the year ended 31 August 2025

	<i>Note</i>	2025 R	2024 R
Cash flows from / (for) operating activities			
Cash generated from / (utilised by) operations	9	213 124	(8 100)
Net cash from / (for) operating activities		<u>213 124</u>	<u>(8 100)</u>
Total cash and cash equivalents movement for the year		213 124	(8 100)
Cash and cash equivalents at the beginning of the year		841 179	849 279
Total cash and cash equivalents at the end of the year	3	<u>1 054 303</u>	<u>841 179</u>

Swiftlands Home Owners Association

Annual financial statements

for the year ended 31 August 2025

Accounting Policies

Presentation of Annual Financial Statements

The annual financial statements are prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs), 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.

Significant judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Financial Instruments

Initial measurement

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

Financial instruments at amortised cost

These include loans, trade receivables, short and long term deposits 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.

Tax expenses

The home owners association 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.

Revenue

Levies and recoveries are recognised as revenue once members are invoiced. Ordinary levies are invoiced monthly, based on the proportional amount as per the approved budget. Other recoveries are recognised as and when due by the members and are disclosed with the expenses to which they relate.

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

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

Swiftlands Home Owners Association

Notes to the financial statements

	2025	2024
	R	R
1 Levies in arrears		
Per detailed age analysis	<u>165 266</u>	<u>118 148</u>
2 Other receivables		
Buffalo City Metropolitan Municipality (account 10352374)	101 590	101 590
Ideal Prepaid - electricity recovery	64 488	70 177
Payments in advance - insurance	1 107	985
	<u>167 185</u>	<u>172 752</u>
3 Cash and cash equivalents		
ABSA Bank - current account	226 202	71 039
ABSA Bank - call account	824 910	768 770
Netcash	3 191	1 370
	<u>1054 303</u>	<u>841 179</u>
4 Accumulated funds		
Accumulated funds are maintained for the implementation of the maintenance, repair and replacement plan as determined by members of the home owners association.		
5 Levies in advance		
Per detailed age analysis	<u>35 495</u>	<u>33 171</u>
6 Other payables		
Buffalo City Metropolitan Municipality (account 10290340)	26 761	28 889
Bizzy B Garden Service	0	16 964
Legal fees control	11 537	9 154
Other minor creditors	4 773	(2 355)
Provision for audit fees	11 025	10 350
	<u>54 096</u>	<u>63 002</u>
7 Property insurance		
Basic insured value	<u>12 457 079</u>	<u>11 324 617</u>
Underwriter: Compass Insurance Company Limited		
Broker: Trafalgar Financial Services (Pty) Ltd		
Policy number: CIA 039-549		
Expiry date: 30 September 2026		
Premium frequency: Annual		
The insurance cover is in respect of certain common property only. Owners are personally responsible for the insurance of their individual properties.		
8 Taxation		
South African normal taxation - current	<u>3 976</u>	<u>4 733</u>
In terms of Section 10(1)(e) of the Income Tax Act income other than levies received, in excess of R50000 per annum, is subject to tax at the prevailing tax rate.		
9 Cash generated from / (utilised by) operating activities		
Surplus before taxation	261 257	169 437
<i>Changes in working capital</i>		
Levies in arrears	(47 118)	(70 635)
Other receivables	5 567	988
Levies in advance	2 324	1 146
Other payables	(8 906)	(109 036)
	<u>213 124</u>	<u>(8 100)</u>

Swiftlands Home Owners Association

Tax computation

for the year ended 31 August 2025

	Total	Levies	Interest
A Income	554 985	488 435	66 550
Expenditure	293 728	291 905	1 823
Accounting fees	1 675	1 474	201
Audit fees	9 350	8 229	1 121
Bank charges	4 174	3 673	501
Other operating expenses	278 529	278 529	0
Surplus for the year	<u>261 257</u>	<u>196 530</u>	<u>64 727</u>
Interest income			64 727
Less: Section 10(1)e exemption			(50 000)
Taxable income			<u>14 727</u>
Tax @ 27%			<u>3 976.41</u>

Taxed in terms of Section 10(1)(e) of the Income Tax Act, 1962.

Swiftlands Home Owners Association

Customer Age Analysis

Report Date: 2025-08-31

Unit No	120+ Days	90+ Days	60+ Days	30+ Days	Current	Balance	Arrears	Advance
1	719.57	751.07	758.74	786.33	746.91	3 762.62	3 762.62	0.00
3	0.00	0.00	484.64	1 397.56	709.13	2 591.33	2 591.33	0.00
4	0.00	0.00	0.00	0.00	264.81	264.81	264.81	0.00
5	0.00	0.00	0.00	0.00	(684.53)	(684.53)	0.00	(684.53)
6	0.00	0.00	0.00	0.00	(1 367.22)	(1 367.22)	0.00	(1 367.22)
8	0.00	0.00	0.00	666.53	684.98	1 351.51	1 351.51	0.00
9	0.00	0.00	0.00	0.00	632.55	632.55	632.55	0.00
10	0.00	0.00	0.00	0.00	(314.40)	(314.40)	0.00	(314.40)
11	0.00	0.00	0.00	0.00	(377.56)	(377.56)	0.00	(377.56)
12	0.00	0.00	0.00	0.00	(7.12)	(7.12)	0.00	(7.12)
13	3 075.40	767.93	803.37	831.42	771.89	6 250.01	6 250.01	0.00
14	0.00	0.00	0.00	648.10	732.95	1 381.05	1 381.05	0.00
15	0.00	0.00	0.00	0.00	111.25	111.25	111.25	0.00
16	0.00	0.00	0.00	0.00	(712.77)	(712.77)	0.00	(712.77)
17	0.00	0.00	0.00	0.00	637.66	637.66	637.66	0.00
18	0.00	0.00	0.00	0.00	(684.98)	(684.98)	0.00	(684.98)
19	0.00	0.00	0.00	0.00	25.88	25.88	25.88	0.00
20	0.00	0.00	0.00	0.00	(240.18)	(240.18)	0.00	(240.18)
21	34 642.53	1 078.13	1 077.04	1 067.62	1 078.51	38 943.83	38 943.83	0.00
22	0.00	0.00	0.00	0.00	(712.77)	(712.77)	0.00	(712.77)
23	0.00	0.00	0.00	0.00	(1.66)	(1.66)	0.00	(1.66)
24	0.00	0.00	0.00	0.00	(685.19)	(685.19)	0.00	(685.19)
25	0.00	0.00	0.00	0.00	(685.10)	(685.10)	0.00	(685.10)
26	0.00	0.00	0.00	14.44	716.27	730.71	730.71	0.00
27	0.00	0.00	0.00	0.00	(878.64)	(878.64)	0.00	(878.64)
28	12 231.75	841.20	849.78	858.46	857.16	15 638.35	15 638.35	0.00
29	0.00	0.00	43.35	692.42	723.63	1 459.40	1 459.40	0.00
30	0.00	0.00	0.00	0.00	(1 002.71)	(1 002.71)	0.00	(1 002.71)
31	26 392.63	995.80	1 005.96	999.03	1 009.23	30 402.65	30 402.65	0.00
33	0.00	0.00	0.00	0.00	(1 195.57)	(1 195.57)	0.00	(1 195.57)
34	0.00	0.00	0.00	0.00	27.60	27.60	27.60	0.00
35	0.00	0.00	0.00	22.08	719.80	741.88	741.88	0.00
36	0.00	0.00	0.00	0.00	(56.29)	(56.29)	0.00	(56.29)
37	0.00	0.00	0.00	0.00	34.86	34.86	34.86	0.00
38	0.00	0.00	0.00	0.00	(6 509.44)	(6 509.44)	0.00	(6 509.44)
40	22 671.79	952.59	952.59	952.59	952.59	26 482.15	26 482.15	0.00
41	0.00	0.00	0.00	0.00	639.37	639.37	639.37	0.00
42	0.00	0.00	0.00	0.00	(1 353.52)	(1 353.52)	0.00	(1 353.52)
43	0.00	163.14	706.91	707.49	708.08	2 285.62	2 285.62	0.00
44	0.00	0.00	0.00	0.00	(716.41)	(716.41)	0.00	(716.41)
45	0.00	0.00	0.00	0.00	(1 467.69)	(1 467.69)	0.00	(1 467.69)
47	0.00	0.00	0.00	0.00	33.73	33.73	33.73	0.00
49	0.00	0.00	0.00	0.00	(56.64)	(56.64)	0.00	(56.64)
50	0.00	0.00	0.00	0.00	(865.11)	(865.11)	0.00	(865.11)
51	0.00	0.00	0.00	0.00	(5 198.95)	(5 198.95)	0.00	(5 198.95)
52	0.00	0.00	0.00	0.00	(712.77)	(712.77)	0.00	(712.77)
53	0.00	0.00	0.00	0.00	(690.02)	(690.02)	0.00	(690.02)
54	23 994.98	965.71	969.30	972.92	966.61	27 869.52	27 869.52	0.00
55	0.00	0.00	0.00	0.00	(712.77)	(712.77)	0.00	(712.77)
56	0.00	0.00	0.00	0.00	(669.31)	(669.31)	0.00	(669.31)
57	0.00	0.00	0.00	0.00	(1 400.00)	(1 400.00)	0.00	(1 400.00)
58	0.00	0.00	0.00	0.00	(462.43)	(462.43)	0.00	(462.43)
59	0.00	0.00	0.00	0.00	(813.13)	(813.13)	0.00	(813.13)
53 (sold)	71.21	0.00	0.00	0.00	0.00	71.21	71.21	0.00
10 (sold)	2 244.66	0.00	0.00	0.00	0.00	2 244.66	2 244.66	0.00
5 (sold)	0.00	0.00	0.00	0.00	(0.45)	(0.45)	0.00	(0.45)
16 (sold)	626.29	6.39	6.46	6.52	6.59	652.25	652.25	0.00
13 (sold)	0.00	0.00	0.00	0.00	(277.47)	(277.47)	0.00	(277.47)
30 (sold)	0.00	0.00	0.00	0.00	(450.00)	(450.00)	0.00	(450.00)
14 (sold)	0.00	0.00	0.00	0.00	(670.60)	(670.60)	0.00	(670.60)
39 (sold)	0.00	0.00	0.00	0.00	(1 412.25)	(1 412.25)	0.00	(1 412.25)
42 (sold)	0.00	0.00	0.00	0.00	(1 449.58)	(1 449.58)	0.00	(1 449.58)
Totals	126 670.81	6 521.96	7 658.14	10 623.51	(21 703.19)	129 771.23	165 266.46	(35 495.23)