

**PKF Cape Town**



chartered accountants  
& business advisers

**OWOBV Proprietary Limited  
(Registration number 2016/182577/07)**

**Annual Financial Statements  
for the year ended 28 February 2021**

## **OWOBV Proprietary Limited**

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

### **General Information**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Frail care facilities for a retirement village
<b>Directors</b>	AG Dreyer HW Hurter WF van der Merwe F Vleggaar BK Wehrle
<b>Registered office</b>	Oude Westhof Retirement Village 26 Van Riebeeckshof Road Van Riebeeckshof Bellville 7530
<b>Business address</b>	Oude Westhof Retirement Village 26 Van Riebeeckshof Road Van Riebeeckshof Bellville 7530
<b>Postal address</b>	PO Box 5700 Bellville Western Cape 7536
<b>Holding entity</b>	Oude Westhof Village Management Association
<b>Bankers</b>	Nedbank Limited
<b>Auditors</b>	PKF Cape Town Chartered Accountants (S.A.) Registered Auditors
<b>Secretary</b>	HG van der Merwe
<b>Company registration number</b>	2016/182577/07
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	These annual financial statements were prepared under the supervision of: WF van der Merwe Chartered Accountant (S.A.)
<b>Issued</b>	28 May 2021

# **OWOBV Proprietary Limited**

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## **OWOBV Proprietary Limited**

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### **Directors' Responsibilities and Approval**

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The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external 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 judgements and estimates.

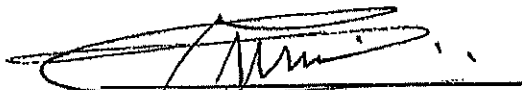
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

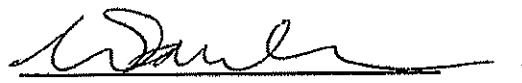
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 28 February 2022 and, in the light of this review and the current financial position, They are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 22, which have been prepared on the going concern basis, were approved by the directors on 28 May 2021 and were signed on its behalf by:

  
Director

  
Director

## Independent Auditor's Report

To the Shareholder of OWOBV Proprietary Limited

### Opinion

We have audited the annual financial statements of OWOBV Proprietary Limited (the company) set out on pages 8 to 21, which comprise the statement of financial position as at 28 February 2021, 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, the annual financial statements present fairly, in all material respects, the financial position of OWOBV Proprietary Limited as at 28 February 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "OWOBV Proprietary Limited annual financial statements for the year ended 28 February 2021", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on page 22. 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. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Annual Financial Statements**

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

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PKF Cape Town .*

**PKF Cape Town  
M Louw  
Partner  
Registered Auditor**

**28 May 2021  
BELLVILLE**

# OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## Directors' Report

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The Directors have pleasure in submitting their report on the annual financial statements of OWOBV Proprietary Limited and its associates for the year ended 28 February 2021.

### 1. Incorporation

The company was incorporated on 04 May 2016 and obtained its certificate to commence business on the same day.

### 2. Nature of business

OWOBV Proprietary Limited was incorporated in South Africa, the company provides frail care facilities for a retirement village.

There have been no material changes to the nature of the company's business from the prior year.

### 3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

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

### 4. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

### 5. Dividends

No dividends were declared or paid to the shareholder during the year.

### 6. Directors

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

Directors	Changes
AG Dreyer	
C Heyns	Resigned Friday, 28 August 2020
HW Hurter	
WF van der Merwe	Appointed Friday, 28 August 2020
AJ van der Schyf	Resigned Friday, 30 April 2021
F Vleggaar	Appointed Friday, 30 April 2021
BK Wehrle	

### 7. Company secretary

The company secretary is HG van der Merwe.

Business address

Oude Westhof Retirement Village  
26 Van Riebeeckshof Road  
Van Riebeeckshof  
Bellville  
7530

## **OWOBV Proprietary Limited**

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Annual Financial Statements for the year ended 28 February 2021

### **Directors' Report**

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#### **8. Holding entity**

The company's holding entity is Oude Westhof Village Management Association which holds 100% (2020: 100%) of the company's equity. Oude Westhof Village Management Association is incorporated in South Africa.

#### **9. Events after the reporting period**

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

#### **10. Going concern**

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material noncompliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

#### **11. Auditors**

PKF Cape Town continued in office as auditors for the company for 2021.



**OWOBV Proprietary Limited**

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Annual Financial Statements for the year ended 28 February 2021

**Statement of Financial Position as at 28 February 2021**

	Note(s)	2021 R	2020 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	436 113	472 554
Investment property	3	28 851 615	21 489 092
		<u>29 287 728</u>	<u>21 961 646</u>
<b>Current Assets</b>			
Trade and other receivables	5	119 616	162 979
Current tax receivable		9 542	9 423
Cash and cash equivalents	6	192 247	87 252
		<u>321 405</u>	<u>259 654</u>
<b>Total Assets</b>		<u>29 609 133</u>	<u>22 221 300</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		<u>19 364 293</u>	<u>14 357 049</u>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loan from shareholder	7	5 286 213	4 044 295
Deferred tax	8	4 548 752	3 174 249
		<u>9 834 965</u>	<u>7 218 544</u>
<b>Current Liabilities</b>			
Trade and other payables	9	409 875	645 707
<b>Total Liabilities</b>		<u>10 244 840</u>	<u>7 864 251</u>
<b>Total Equity and Liabilities</b>		<u>29 609 133</u>	<u>22 221 300</u>

**OWOBV Proprietary Limited**

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Annual Financial Statements for the year ended 28 February 2021

**Statement of Profit or Loss and Other Comprehensive Income**

	Note(s)	2021 R	2020 R
Revenue	10	7 214 262	8 818 018
Operating expenses		(8 205 184)	(8 259 691)
<b>Operating (loss) / profit</b>	11	<b>(990 922)</b>	<b>558 327</b>
Investment revenue	12	9 843	7 066
Fair value adjustment		7 362 523	-
Finance costs		-	(5 615)
<b>Profit before taxation</b>		<b>6 381 444</b>	<b>559 778</b>
Taxation	13	(1 374 200)	(156 738)
<b>Profit for the year</b>		<b>5 007 244</b>	<b>403 040</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>5 007 244</b>	<b>403 040</b>

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**Statement of Changes in Equity**

	Share capital	Retained income	Total equity
	R	R	R
<b>Balance at 01 March 2019</b>	-	<b>13 954 009</b>	<b>13 954 009</b>
Profit for the year	-	403 040	403 040
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>403 040</b>	<b>403 040</b>
<b>Balance at 29 February 2020</b>	-	<b>14 357 049</b>	<b>14 357 049</b>
Profit for the year	-	5 007 244	5 007 244
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>5 007 244</b>	<b>5 007 244</b>
<b>Balance at 28 February 2021</b>	-	<b>19 364 293</b>	<b>19 364 293</b>
Note	4		

**OWOBV Proprietary Limited**

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**Statement of Cash Flows**

	Note(s)	2021 R	2020 R
<b>Cash flows from operating activities</b>			
Cash receipts from customers		7 257 889	9 680 933
Cash paid to suppliers and employees		(8 396 039)	(9 549 788)
Cash (used in) generated from operations	14	(1 138 150)	131 145
Interest income		9 724	7 066
Finance costs		-	(5 615)
Tax paid	15	-	(222 117)
Adjustment for non-cash item in respect of prior period		203	-
<b>Net cash used in operating activities</b>		<b>(1 128 223)</b>	<b>(89 521)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(8 700)	(66 477)
<b>Cash flows from financing activities</b>			
Increase (Repayment) of shareholders loan		1 241 918	(31 997)
<b>Net cash from financing activities</b>		<b>1 241 918</b>	<b>(31 997)</b>
<b>Total cash movement for the year</b>		<b>104 995</b>	<b>(187 995)</b>
Cash at the beginning of the year		87 252	275 247
<b>Total cash and cash equivalents at end of the year</b>	6	<b>192 247</b>	<b>87 252</b>

# **OWOBV Proprietary Limited**

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## **Accounting Policies**

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

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

These accounting policies are consistent with the previous period.

#### **1.1 Significant judgements and sources of estimation uncertainty**

##### **Critical 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.

##### **Key sources of estimation uncertainty**

##### **Useful lives of property, plant and equipment**

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the directors determined that the useful lives of certain items of surveillance equipment should be shortened, due to developments in technology.

#### **1.2 Investment property**

Investment property is land and buildings held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business.

Investment property is initially measured at cost and subsequently at fair value with changes in fair value recognised in profit or loss. If the fair value of investment property cannot be measured reliably without undue cost or effort, then it is measured at cost less accumulated depreciation and accumulated impairment.

The cost of investment property comprises its purchase price and any directly attributable costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an investment property and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of investment property, the carrying amount of the replaced item is derecognised.

The fair value is determined regularly by an external valuator derived from current market prices of comparable real estate.

#### **1.3 Property, plant and equipment**

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

# OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## Accounting Policies

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### 1.3 Property, plant and equipment (continued)

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

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

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

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Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 years
Furniture and fixtures	Straight line	10 years

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

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

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

### 1.4 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 profit or loss) 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 cash and cash equivalents, loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

# **OWOBV Proprietary Limited**

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Annual Financial Statements for the year ended 28 February 2021

## **Accounting Policies**

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### **1.5 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.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

#### **Deferred tax assets and liabilities**

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### **Tax expenses**

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

### **1.6 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

#### **Operating leases – lessee**

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

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

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

### **1.7 Impairment of assets**

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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 profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

## **OWOBV Proprietary Limited**

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Annual Financial Statements for the year ended 28 February 2021

### **Accounting Policies**

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#### **1.8 Share capital and equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

#### **1.9 Employee benefits**

##### **Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

##### **1.10 Provisions and contingencies**

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

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

##### **1.11 Revenue**

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or 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 company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

##### **1.12 Borrowing costs**

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



## OWOBV Proprietary Limited

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### Notes to the Annual Financial Statements

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer equipment	7 017	(7 017)	-	7 017	(4 780)	2 237
Furniture and fixtures	559 143	(123 030)	436 113	550 443	(80 126)	470 317
<b>Total</b>	<b>566 160</b>	<b>(130 047)</b>	<b>436 113</b>	<b>557 460</b>	<b>(84 906)</b>	<b>472 554</b>

#### Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	2 237	-	(2 237)	-
Furniture and fixtures	470 317	8 700	(42 904)	436 113
<b>Total</b>	<b>472 554</b>	<b>8 700</b>	<b>(45 141)</b>	<b>436 113</b>

#### 3. Investment property

##### Reconciliation of investment property - 2021

	Opening balance	Fair value adjustment	Total
Investment property	21 489 092	7 362 523	28 851 615

##### Details of property

###### Oude Westhof Village

Investment property consists of units 123 and 124 of Oude Westhof Village scheme number SS 169/2018. The property is held in terms of Certificates of Registered Titles numbers ST10713/2018 and ST10714/2018 and the registration date was 26 June 2018.

- Net after disposal of subdivided portions	7 553 764	7 553 764
- Fair value adjustment	21 297 851	13 935 328
	<b>28 851 615</b>	<b>21 489 092</b>

##### Details of valuation

The effective date of the revaluation was Monday, 26 April 2021. The revaluation was performed by an independent valuer, Andre Liebenberg [Professional Associated valuer], of Mirfin Valuation Services (Pty) Ltd ("Mirfin"). Mirfin is not connected to the company and have recent experience in the location and category of the investment property being valued.

The valuation was based on a replacement cost for existing use. The directors are of the opinion that this valuation is still an accurate reflection of the fair value of the property.

## OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

### Notes to the Annual Financial Statements

	2021 R	2020 R
<b>4. Share capital</b>		
<b>Authorised</b>		
4,000 Ordinary shares at no par value	-	-
<b>Issued</b>		
100 Ordinary shares at no par value	-	-
<b>5. Trade and other receivables</b>		
Trade receivables	119 616	162 979
<b>6. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	6 500	6 500
Bank balances	185 747	80 752
	<u>192 247</u>	<u>87 252</u>
<b>7. Loan from shareholder</b>		
Oude Westhof Village - Long term loan	<u>5 286 213</u>	<u>4 044 295</u>

This loan is unsecured, bears no interest as agreed upon between the parties involved and is repayable by 31 December 2028

# OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## Notes to the Annual Financial Statements

	2021 R	2020 R
<b>8. Deferred tax</b>		
Deferred tax liability	(4 836 512)	(3 174 249)
Deferred tax asset	287 760	-
<b>Total net deferred tax liability</b>	<b>(4 548 752)</b>	<b>(3 174 249)</b>
The major components of the deferred tax balance are as follows:		
<b>Deferred tax liability</b>		
<b>Arising as a result of temporary differences on:</b>		
Property, plant and equipment	(65 793)	(52 735)
Investment property	(4 770 719)	(3 121 514)
<b>Total deferred tax liability</b>	<b>(4 836 512)</b>	<b>(3 174 249)</b>
<b>Deferred tax asset</b>		
<b>Arising as a result of temporary differences on:</b>		
Tax losses available for set off against future taxable income	287 760	-
<b>Total deferred tax asset</b>	<b>287 760</b>	<b>-</b>
<b>Reconciliation of deferred tax liability</b>		
At beginning of year	(3 174 249)	(3 162 088)
<b>Recognised in profit or loss:</b>		
Movement in temporary differences on property, plant and equipment	(13 058)	(12 161)
Movement in temporary differences on investment property at fair value - CGT rate	(1 649 205)	-
Increase in tax loss available for set off against future taxable income	287 760	-
<b>At end of year</b>	<b>(4 548 752)</b>	<b>(3 174 249)</b>
<b>9. Trade and other payables</b>		
Trade payables	238 103	457 003
VAT	62 546	76 351
Municipal costs accrual	109 226	112 353
	<b>409 875</b>	<b>645 707</b>
<b>10. Revenue</b>		
Rendering of service	7 214 262	8 818 018

**OWOBV Proprietary Limited**

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

**Notes to the Annual Financial Statements**

	2021 R	2020 R
<b>11. Operating (loss) / profit</b>		
Operating (loss) / profit for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	45 141	43 182
Employee costs	<u>4 199 673</u>	<u>4 520 837</u>
<b>12. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	9 724	7 066
Interest received from SARS	119	-
	<u>9 843</u>	<u>7 066</u>
<b>13. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current taxation</b>		
South African normal tax - year	-	144 577
South African normal tax - prior period (over) under provision	<u>(303)</u>	<u>-</u>
	<u>(303)</u>	<u>144 577</u>
<b>Deferred taxation</b>		
South African deferred tax - current year	<u>1 374 503</u>	<u>12 161</u>
	<u>1 374 200</u>	<u>156 738</u>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting profit	6 381 444	559 778
Tax at the applicable tax rate of 28% (2020: 28%)	1 786 804	156 738
<b>Other</b>		
Capital gains tax differential	(412 907)	-
Prior period adjustment	303	-
	<u>1 374 200</u>	<u>156 738</u>

No provision has been made for 2021 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R 1 027 714.

# OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## Notes to the Annual Financial Statements

	2021 R	2020 R
<b>14. Cash (used in) generated from operations</b>		
Profit before taxation	6 381 444	559 778
<b>Adjustments for:</b>		
Depreciation and amortisation	45 141	43 182
Interest received	(9 843)	(7 066)
Finance costs	-	5 615
Fair value adjustments	(7 362 523)	-
<b>Changes in working capital:</b>		
Trade and other receivables	43 363	37 496
Trade and other payables	(235 732)	(507 860)
	<u>(1 138 150)</u>	<u>131 145</u>

### 15. Tax paid

Balance at beginning of the year	9 423	(68 117)
Current tax for the year recognised in profit (loss)	303	(144 577)
Prior year adjustment	(303)	-
Adjustment in respect of SARS interest in current year	119	-
Balance at end of the year	<u>(9 542)</u>	<u>(9 423)</u>
	-	<u>(222 117)</u>

### 16. Related parties

#### Relationships

#### Holding entity

Oude Westhof Village Management Association

#### Members of key management

AG Dreyer  
WF van der Merwe  
C Heyns  
HW Hurter  
CE le Grange

#### Related party balances and transactions with entities with control, joint control or significant influence over the company

##### Related party balances

#### Loan account - Owing (to) by related parties

Oude Westhof Village Management Association

(5 286 213) (4 044 295)

### 17. Directors' remuneration

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

**Owobv Proprietary Limited**

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

**Notes to the Annual Financial Statements**

	2021 R	2020 R
<b>18. Categories of financial instruments</b>		
<b>Debt instruments at amortised cost</b>		
Trade and other receivables	119 616	162 979
Cash and cash equivalents	192 247	87 252
	<u>311 863</u>	<u>250 231</u>
<b>Financial liabilities at amortised cost</b>		
Loans from shareholders	5 286 213	4 044 295
Trade and other payables	347 335	645 712
	<u>5 633 548</u>	<u>4 690 007</u>

# OWOBV Proprietary Limited

(Registration number: 2016/182577/07)

Annual Financial Statements for the year ended 28 February 2021

## Detailed Income Statement

	Note(s)	2021 R	2020 R
<b>Revenue</b>			
Boarding		7 214 262	8 818 018
<b>Operating expenses</b>			
Additional healthcare		24 218	-
Auditors remuneration		59 462	59 098
Bad debts		-	21 374
Bank charges		5 901	3 347
Cleaning		802 935	816 766
Computer expenses		11 909	14 668
Consulting fees		95 248	42 176
COVID expenses		271 328	-
Depreciation		45 141	43 182
Employee costs		4 199 673	4 520 837
Entertainment		-	869
Human resources (SBLs)		25 740	-
Insurance		34 465	31 711
Legal expenses		7 700	53 717
Meal levy		233 374	228 626
Meals		824 951	994 320
Medical expenses		187 532	181 582
Municipal expenses		477 858	87 174
PQ Levy		404 135	352 097
Printing and stationery		35 892	39 468
Repairs and maintenance		95 661	329 720
Replacements		4 215	-
Social work		42 454	67 224
Staff welfare		117 529	139 059
Subscriptions		171 495	159 750
Telephone and fax		20 721	41 422
Training		5 647	31 504
		<b>8 205 184</b>	<b>8 259 691</b>
<b>Operating (loss) profit</b>	11	<b>(990 922)</b>	<b>558 327</b>
Interest income	12	9 843	7 066
Finance costs		-	(5 615)
Fair value adjustments		7 362 523	-
		<b>7 372 366</b>	<b>1 451</b>
<b>Profit before taxation</b>		<b>6 381 444</b>	<b>559 778</b>
Taxation	13	(1 374 200)	(156 738)
<b>Profit for the year</b>		<b>5 007 244</b>	<b>403 040</b>

**OUDE WESTHOF AFTREE-OORD BESTUURSVERENIGING**  
**OUDE WESTHOF VILLAGE MANAGEMENT ASSOCIATION**  
**INKOMSTESTAAT / INCOME STATEMENT**

	Begroting Budget 2020-2021	Werklik Actual 2020-2021	Begroting Budget 2021-2022	
<b>INKOMSTE</b>				<b>INCOME</b>
Heffings	6,672,888	6,676,837	7,344,528	Levies
Sorgheffing	718,056	719,384	825,768	Care Levy
Adisionele sorg Inkomste	-	95,246	156,000	Additional healthcare income
Hulpsorgheffing	431,424	431,424	486,188	Assisted Living Levy
Ombudsman heffing	-	7,759	10,428	Ombudsman levies
Wassery	24,000	3,185	12,000	Laundry
<b>Totale Inkomste</b>	<b>7,846,368</b>	<b>7,933,835</b>	<b>8,844,912</b>	<b>Total Income</b>
<b>UITGAWES</b>				<b>EXPENDITURE</b>
Munisipaliteit	1,605,772	1,003,092	1,177,278	Municipality
Versekering	648,448	386,899	447,774	Insurance
Sekuriteit	1,345,380	1,348,557	1,469,508	Security
VRME	(18,060)	(26,641)	(18,060)	VRME
Onderhoud	1,034,244	971,527	1,032,872	Maintenance
Spesiale onderhoudsprojekte	527,000	559,893	824,500	Special maintenance projects
Administrasie	492,676	494,331	487,330	Administration
Klubhuisdienste	375,072	346,227	420,072	Clubhouse services
Salarisse	5,517,419	5,278,259	5,810,821	Salaries
Diverse personeeluitgawes	-	-	385,784	Sundry staff costs
Ander	12,000	39,137	12,000	Other
<b>Totale Uitgawes</b>	<b>11,539,951</b>	<b>10,401,281</b>	<b>12,049,679</b>	<b>Total Expenditure</b>
<b>BEDRYFSTEKORT</b>	<b>(3,693,583)</b>	<b>(2,467,446)</b>	<b>(3,204,767)</b>	<b>OPERATIONAL DEFICIT</b>
<b>ANDER INKOMSTE</b>				<b>OTHER INCOME</b>
Uitree Heffing	-	2,451,770	-	Exit levy
Diverse Inkomste	-	750	-	Sundry income
<b>Beleggings Inkomste</b>	<b>276,000</b>	<b>284,290</b>	<b>276,000</b>	<b>Investment Income</b>
<b>RESULTAAT VOOR BELASTING</b>	<b>(3,417,583)</b>	<b>269,364</b>	<b>(2,928,767)</b>	<b>RESULT BEFORE TAXATION</b>
<b>Belasting</b>	<b>60,000</b>	<b>61,731</b>	<b>60,000</b>	<b>Taxation</b>
<b>NETTO (TEKORT) / OORSKOT</b>	<b>(3,477,583)</b>	<b>207,633</b>	<b>(2,988,767)</b>	<b>NETT (DEFICIT) / SURPLUS</b>



**SORGSENTRUM / CARE CENTRE**  
**INKOMSTESTAAT / INCOME STATEMENT**

	Begroot Budget 2020 / 2021	Werklik Actual 2020 / 2021	Begroot Budget 2021 / 2022	
<b>INKOMSTE</b>				<b>INCOME</b>
Akkommodasie	9,031,536	7,148,658	7,282,641	Accommodation
Ander	133,380	65,604	-	Other
	<b>9,164,916</b>	<b>7,214,262</b>	<b>7,282,641</b>	
<b>UITGAWES</b>				<b>EXPENDITURE</b>
Munisipale koste	570,200	477,858	514,814	Municipal Charges
Versekering	33,924	34,465	37,776	Insurance
Deelnemingskwotaheffing	404,136	404,135	444,576	PQ Levy
Onderhoud	480,660	99,876	152,709	Maintenance
Administrasie	2,880,232	2,845,908	2,745,276	Administration
Salarisse	4,786,114	4,342,942	4,451,272	Salaries
	<b>9,155,266</b>	<b>8,205,184</b>	<b>8,346,423</b>	
<b>Bedryfsresultate</b>	<b>9,650</b>	<b>(990,922)</b>	<b>(1,063,782)</b>	<b>Operating Result</b>
Beleggingsinkomste ( netto )	-	9,843	-	Investment Income ( net )
Billikewaarde-aanpassing	-	7,362,523	-	Fair value adjustment
<b>Resultaat voor belasting</b>	<b>9,650</b>	<b>6,381,444</b>	<b>(1,063,782)</b>	<b>Result before taxation</b>
<b>Belasting</b>	<b>-</b>	<b>1,374,200</b>	<b>-</b>	<b>Taxation</b>
<b>Wins / (Verlies) vir die jaar</b>	<b>9,650</b>	<b>5,007,244</b>	<b>(1,063,782)</b>	<b>Profit / (Loss) for the Year</b>

**GEKONSOLIDEERDE INKOMSTESTAAT BEGROTING VIR DIE JAAR GEËINDIG 28 FEBRUARIE 2022**  
**CONSOLIDATED INCOME STATEMENT BUDGET FOR THE YEAR ENDED 28 FEBRUARY 2022**

	<b>OWO BESTUURS- VERENIGING OWV MANAGEMENT ASSOCIATION</b>	<b>OWOBV EDMS (BPK) OWOBV PTY (LTD)</b>	<b>GEKONSOLIDEERD CONSOLIDATED</b>	
<b>INKOMSTE</b>				<b>INCOME</b>
Heffings	7,344,528	(444,576)	6,899,952	Levies
Sorgheffing	825,768	-	825,768	Health Care Levy
Addisionele sorg inkomste	158,000	-	158,000	Additional healthcare income
Hulpsorgheffing	496,188	-	496,188	Assisted Living Levy
Ombudsman heffing	10,428	-	10,428	Ombudsman levies
Wassery	12,000	-	12,000	Laundry
Akkommodasie	-	7,282,641	7,282,641	Accommodation
Ander	-	-	-	Other
<b>Totale Inkomste</b>	<b>8,844,912</b>	<b>6,838,065</b>	<b>15,682,977</b>	<b>Total Income</b>
<b>UITGAWES</b>				<b>EXPENDITURE</b>
Munisipaliteit	1,177,278	514,814	1,692,092	Municipality
Versekering	447,774	37,776	485,550	Insurance
Sekuriteit	1,469,508	-	1,469,508	Security
VRME	(18,060)	-	(18,060)	VRME
Onderhoud	1,032,672	152,709	1,185,381	Maintenance
Spesiale onderhoudsprojekte	824,500	-	824,500	Special maintenance projects
Administrasie	487,330	2,745,276	3,232,606	Administration
Klubhuisdienste	420,072	-	420,072	Clubhouse services
Salariese	5,810,821	4,451,272	10,262,093	Salaries
Diverse personeeluitgawes	385,784	-	385,784	Sundry staff costs
Ander	12,000	-	12,000	Other
<b>Totale Uitgawes</b>	<b>12,049,679</b>	<b>7,901,847</b>	<b>19,951,526</b>	<b>Total Expenditure</b>
<b>BEDRYFSTEKORT</b>	<b>(3,204,767)</b>	<b>(1,063,782)</b>	<b>(4,268,549)</b>	<b>OPERATIONAL DEFICIT</b>
<b>ANDER INKOMSTE</b>				<b>OTHER INCOME</b>
Uitree Heffing	-	-	-	Exit levy
Diverse inkomste	-	-	-	Sundry income
<b>Beleggings inkomste</b>	<b>276,000</b>	<b>-</b>	<b>276,000</b>	<b>Investment Income</b>
<b>RESULTAAT VOOR BELASTING</b>	<b>(2,928,767)</b>	<b>(1,063,782)</b>	<b>(3,992,549)</b>	<b>RESULT BEFORE TAXATION</b>
Belasting	60,000	-	60,000	Taxation
<b>NETTO (TEKORT) / OORSKOT</b>	<b>(2,988,767)</b>	<b>(1,063,782)</b>	<b>(4,052,549)</b>	<b>NETT (DEFICIT) / SURPLUS</b>