# The Coves Governing Body NPC

**(Registration Number 2003/010909/08)**
**Annual Financial Statements**
**for the year ended 30 June 2026**

**Audited Financial Statements**
in compliance with the Companies Act 71 of 2008
Prepared by: C Barnard
Reviewed by: G F C Loots
Professional designation: CA (SA)

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

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# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

## General Information

| | |
|---|---|
| **Country of Incorporation and Domicile** | South Africa |
| **Registration Number** | 2003/010909/08 |
| **Nature of Business and Principal Activities** | The Non-Profit Company objective is to co-ordinate the communal interest of its members and the managerial functions and activities of the Company. |
| **Directors** | M H Fikkert (Chairperson)<br>M S Masemole (Vice-Chairperson)<br>(Appointed 15 November 2025)<br>G W Stoger<br>N Golele-Tshabalala<br>D L Keeling<br>V L Earp<br>N A Henderson<br>H C M Tunmer<br>G R Seeletse (Resigned 4 August 2026)<br>A M De Wet (Resigned 15 November 2025)<br>Z W Mostert (Resigned 31 July 2026) |
| **Registered Office** | The Coves Estate<br>R512 Provincial Road<br>Broederstroom<br>0240 |
| **Postal Address** | PO Box 973<br>Broederstroom<br>0240 |
| **Bankers** | First National Bank \| Standard Bank of South Africa |
| **Tax Number** | 9269511151 |
| **Auditors** | GKL Auditors<br>97 Ludorf Street<br>Brits<br>0250 |
| **Preparer** | C Barnard<br>Du Preez Accountants<br>PO Box 298<br>Hartbeespoort<br>0216 |

## Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008 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. These annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit company, and explain the transactions and financial position of the business of the non-profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit company 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 non-profit company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 non-profit company and all employees are required to maintain the highest ethical standards in ensuring the non-profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit company. While operating risk cannot be fully eliminated, the non-profit 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the non-profit company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the non-profit company.

The financial statements have been audited by the independent auditing firm, GKL Auditors, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the member, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 5 to 6.

The financial statements set out on pages 7 to 18, and the supplementary information set out on pages 19 to 21 which have been prepared on the going concern basis, were approved by the directors and were signed on 15 October 2026 on their behalf by:

M H Fikkert
(Chairperson)

N A Henderson
(Financial Director)

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

## Directors' Report

The directors present their report for the year ended 30 June 2026.

### 1. Review of activities

**Main business and operations**
The principal activity of the Non-Profit Company is to co-ordinate the communal interest of its members and the managerial functions and activities of the Company. There were no major changes herein during the year.

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

### 2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the Non-Profit 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.

### 3. Events after reporting date

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

### 4. Directors

The directors of the Non-Profit Company during the year and up to the date of this report are as follows:
M H Fikkert (Chairperson)
M S Masemole (Vice-Chairperson) (Appointed 15 November 2025)
G W Stoger
N Golele-Tshabalala
D L Keeling
V L Earp
N A Henderson
H C M Tunmer
G R Seeletse (Resigned 4 August 2026)
A M De Wet (Resigned 15 November 2025)
Z W Mostert (Resigned 31 July 2026)

### 5. Independent Auditors

GKL Auditors were the independent auditors for the year under review and will continue in terms of the Companies Act.

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Brits, 0250
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🖷: (012) 252-0652
PO Box 176 BRITS 0250

Geregistreerde Ouditeure GO (SA)

GKL

OUDITEURE / AUDITORS
(Sedert / Since 1949)
Praktyk No / Practice Nr 902411

Geregistreerde Belastingpraktisyns
Registered Tax Practitioners
Rekeningkundige Dienste
Accounting Services
Boedelbeplanning en -Bereddering
Estate planning and Administration
Ouditering / Auditing

Registered Auditors RA (SA)

# Independent Auditor's Report

## To the Member of The Coves Governing Body NPC

### Opinion

We have audited the financial statements of The Coves Governing Body NPC set out on pages 7 to 18, which comprise the statement of financial position as at 30 June 2026, and the statement of comprehensive income, the statement of changes in equity and the 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 The Coves Governing Body NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act 71 of 2008.

### 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 non-profit 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 "The Coves Governing Body NPC Financial Statements for the year ended 30 June 2026", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report, and the supplementary information set out on pages 19 to 21. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the non-profit 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 non-profit 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 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.

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

- Identify and assess the risks of material misstatement of the 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 non-profit 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 non-profit 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 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 non-profit company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

**GKL Auditors** **15 October 2026**



**Per: GFC Loots**
**Partner**
**Registered Auditor**

**97 Ludorf Street**
**Brits**
**0250**

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Financial Statements for the year ended 30 June 2026

## Statement of Financial Position

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 18,075,800 | 12,904,769 |
| **Current assets** | | | |
| Inventories | 4 | 61,457 | 35,888 |
| Trade and other receivables | 5 | 854,110 | 732,404 |
| Cash and cash equivalents | 7 | 8,242,254 | 11,386,019 |
| **Total current assets** | | **9,157,821** | **12,154,311** |
| **Total assets** | | **27,233,621** | **25,059,080** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Accumulated surplus | | 17,229,666 | 9,817,818 |
| Reserve funds | | 7,794,000 | 11,389,877 |
| **Total equity** | | **25,023,666** | **21,207,695** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 8 | 2,156,431 | 3,811,827 |
| Current tax liabilities | 6 | 53,524 | 39,558 |
| **Total current liabilities** | | **2,209,955** | **3,851,385** |
| **Total equity and liabilities** | | **27,233,621** | **25,059,080** |

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Financial Statements for the year ended 30 June 2026

## Statement of Comprehensive Income

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| Levies | 9 | 21,654,720 | 20,270,400 |
| Other income | | 4,285,610 | 2,840,709 |
| Administrative expenses | | (819,902) | (868,385) |
| Operating expenses | | (24,620,585) | (22,281,985) |
| Other gains | 10 | 3,000 | 120,000 |
| **Surplus from operating activities** | | **502,843** | **80,739** |
| Interest received | 11 | 837,848 | 960,926 |
| **Surplus before tax** | | **1,340,691** | **1,041,665** |
| Income tax expense | 13 | (446,506) | (377,831) |
| **Surplus for the year** | | **894,185** | **663,834** |
| **Other comprehensive income net of tax** | | | |
| **Components of other comprehensive income that will not be reclassified to surplus or deficit** | | | |
| Reserve fund levy and buy in levy | 19 | 2,922,100 | 2,472,000 |
| **Total other comprehensive income** | | **2,922,100** | **2,472,000** |
| **Total other comprehensive income net of tax** | | **2,922,100** | **2,472,000** |
| **Total comprehensive income** | | **3,816,285** | **3,135,834** |

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Financial Statements for the year ended 30 June 2026

## Statement of Changes in Equity

| Figures in R | Consolidate Reserve fund | Accumulated surplus | Total |
|---|---|---|---|
| **Balance at 1 July 2024** | 8,917,877 | 9,153,984 | 18,071,861 |
| **Changes in equity** | | | |
| Surplus for the year | - | 663,834 | 663,834 |
| Other comprehensive income | 2,472,000 | - | 2,472,000 |
| Total comprehensive income for the year | 2,472,000 | 663,834 | 3,135,834 |
| **Balance at 30 June 2025** | **11,389,877** | **9,817,818** | **21,207,695** |
| **Balance at 1 July 2025** | 11,389,877 | 9,817,818 | 21,207,695 |
| **Changes in equity** | | | |
| Surplus for the year | - | 894,185 | 894,185 |
| Other comprehensive income | 2,922,100 | - | 2,922,100 |
| Total comprehensive income for the year | 2,922,100 | 894,185 | 3,816,285 |
| Transfers to retained income | (6,517,662) | 6,517,662 | - |
| **Balance at 30 June 2026** | **7,794,000** | **17,229,666** | **25,023,666** |

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Financial Statements for the year ended 30 June 2026

## Statement of Cash Flows

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| **Net cash flows from operations** | 14 | **1,602,621** | **2,057,521** |
| Interest received | | 837,846 | 960,927 |
| Income taxes paid | | (432,540) | (324,322) |
| **Net cash flows from operating activities** | | **2,007,927** | **2,694,126** |
| **Cash flows used in investing activities** | | | |
| Proceeds from sales of property, plant and equipment | | 3,000 | 120,000 |
| Purchase of property, plant and equipment | 3 | (8,076,481) | (5,411,767) |
| Buy in levy | | 202,900 | - |
| **Cash flows used in investing activities** | | **(7,870,581)** | **(5,291,767)** |
| **Cash flows from financing activities** | | | |
| Other inflows of cash | | 2,718,889 | 2,471,996 |
| **Cash flows from financing activities** | | **2,718,889** | **2,471,996** |
| **Net decrease in cash and cash equivalents** | | **(3,143,765)** | **(125,645)** |
| Cash and cash equivalents at beginning of the year | | 11,386,019 | 11,511,664 |
| **Cash and cash equivalents at end of the year** | **7** | **8,242,254** | **11,386,019** |

## Accounting Policies

### 1. General information

The Coves Governing Body NPC (the Non-Profit Company) objective is to co-ordinate the communal interest of its members and the managerial functions and activities of the Company.

The Non-Profit Company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is The Coves Estate, R512 Provinsial Road, Broederstroom, 0240.

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

The financial statements of The Coves Governing Body NPC have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act 71 of 2008. The financial statements have been prepared under the historical cost .They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Non-Profit Company accounting policies.

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

### 2.1 Property, plant and equipment

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset carrying amount is written down immediately to its recoverable amount if the asset carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

| | |
|---|---|
| Buildings and improvements | 5% |
| Tractors | 10% |
| Motorised equipment and motor vehicles | 20% |
| Furniture and equipment | 10% |
| Security | 33% |
| Office equipment | 17% |
| Computer equipment | 33% |
| Water purification system | 8% |
| Sewerage plant and pumps | 25% |
| Fences | 5% |
| Equipment | 16.67% - 20% |
| Security projects | 10% |
| Other fixed assets | 16.67% - 20% |

### 2.2 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

## Accounting Policies

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

### 2.3 Tax

The tax expense for the year comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the entity operates and generates taxable income.

### 2.4 Provisions

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 passage of time is recognised as interest expense.

### 2.5 Revenue

Levies are measured at the fair value of the amounts received or receivable.

### 2.6 Interest

Interest income is recognised using the effective interest method.

### 2.7 Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at cost less provisions for impairment losses for bad debt and doubtful debts, if any.

### 2.8 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments.

## Notes to the Financial Statements

**Figures in R**

### 3. Property, plant and equipment

### 3.1 Balances at year end and movements for the year

| | Buildings and improvements | Water reservoir and purification | Borehole and pivot pumps | Motor vehicles and tractor | Generator, electric cables and voltage regulation | Garden equipment, furniture and fittings | Office equipment | Computer equipment | Security equipment and upgrades | Sewerage plant and upgrades | Waterfront upgrade | Other fixed assets | Energy solution | Hyacinth project | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Reconciliation for the year ended 30 June 2026** | | | | | | | | | | | | | | | |
| **Balance at 1 July 2025** | | | | | | | | | | | | | | | |
| At cost | 5,601,458 | 5,021,621 | 1,123,382 | 2,263,857 | 817,539 | 1,008,471 | 136,017 | 372,659 | 10,420,530 | 3,112,143 | 507,775 | 127,677 | 135,040 | 240,968 | **30,889,137** |
| Accumulated depreciation | (608,379) | (2,404,060) | (390,772) | (1,856,232) | (782,197) | (574,983) | (88,049) | (340,721) | (7,583,409) | (2,613,359) | (379,578) | (127,660) | (108,303) | (126,666) | **(17,984,368)** |
| **Carrying amount** | **4,993,079** | **2,617,561** | **732,610** | **407,625** | **35,342** | **433,488** | **47,968** | **31,938** | **2,837,121** | **498,784** | **128,197** | **17** | **26,737** | **114,302** | **12,904,769** |
| **Movements for the year ended 30 June 2026** | | | | | | | | | | | | | | | |
| Additions from acquisitions | 3,841,644 | 1,764,024 | 259,119 | - | 132,209 | 156,544 | 21,275 | 79,616 | 490,350 | 1,155,125 | - | 176,575 | - | - | **8,076,481** |
| Depreciation | (586,085) | (311,477) | (243,112) | (103,240) | (17,877) | (74,271) | (34,662) | (58,530) | (881,527) | (439,177) | (101,555) | (3,104) | (26,736) | (24,097) | **(2,905,450)** |
| **Property, plant and equipment at the end of the year** | **8,248,638** | **4,070,108** | **748,617** | **304,385** | **149,674** | **515,761** | **34,581** | **53,024** | **2,445,944** | **1,214,732** | **26,642** | **173,488** | **1** | **90,205** | **18,075,800** |
| **Closing balance at 30 June 2026** | | | | | | | | | | | | | | | |
| At cost | 9,443,102 | 6,721,019 | 1,382,501 | 2,263,857 | 949,748 | 1,165,015 | 157,292 | 452,275 | 10,344,196 | 4,267,268 | 507,775 | 304,252 | 135,040 | 240,968 | **38,334,308** |
| Accumulated depreciation | (1,194,464) | (2,650,911) | (633,884) | (1,959,472) | (800,074) | (649,254) | (122,711) | (399,251) | (7,898,252) | (3,052,536) | (481,132) | (130,765) | (135,039) | (150,763) | **(20,258,508)** |
| **Carrying amount** | **8,248,638** | **4,070,108** | **748,617** | **304,385** | **149,674** | **515,761** | **34,581** | **53,024** | **2,445,944** | **1,214,732** | **26,643** | **173,487** | **1** | **90,205** | **18,075,800** |
| **Reconciliation for the year ended 30 June 2025** | | | | | | | | | | | | | | | |
| **Balance at 1 July 2024** | | | | | | | | | | | | | | | |
| At cost | 4,164,887 | 2,497,453 | 528,753 | 1,916,958 | 817,539 | 767,001 | 136,017 | 336,468 | 10,409,880 | 2,949,944 | 507,775 | 127,677 | 76,050 | 240,968 | **25,477,370** |
| Accumulated depreciation | (320,558) | (1,975,337) | (197,713) | (1,784,794) | (708,903) | (521,886) | (75,943) | (269,712) | (6,553,915) | (2,358,807) | (278,023) | (127,660) | (23,288) | (102,569) | **(15,299,108)** |
| **Carrying amount** | **3,844,329** | **522,116** | **331,040** | **132,164** | **108,636** | **245,115** | **60,074** | **66,756** | **3,855,965** | **591,137** | **229,752** | **17** | **52,762** | **138,399** | **10,178,262** |
| **Movements for the year ended 30 June 2025** | | | | | | | | | | | | | | | |
| Additions from acquisitions | 1,436,571 | 2,524,168 | 594,629 | 346,899 | - | 241,470 | - | 36,191 | 10,650 | 162,199 | - | - | 58,990 | - | **5,411,767** |
| Depreciation | (287,821) | (428,723) | (193,059) | (71,438) | (73,294) | (53,097) | (12,106) | (71,009) | (1,029,494) | (254,552) | (101,555) | - | (85,015) | (24,097) | **(2,685,260)** |
| **Property, plant and equipment at the end of the year** | **4,993,079** | **2,617,561** | **732,610** | **407,625** | **35,342** | **433,488** | **47,968** | **31,938** | **2,837,121** | **498,784** | **128,197** | **17** | **26,737** | **114,302** | **12,904,769** |
| **Closing balance at 30 June 2025** | | | | | | | | | | | | | | | |
| At cost | 5,601,458 | 5,021,621 | 1,123,382 | 2,263,857 | 817,539 | 1,008,471 | 136,017 | 372,659 | 10,420,530 | 3,112,143 | 507,775 | 127,677 | 135,040 | 240,968 | **30,889,137** |
| Accumulated depreciation | (608,379) | (2,404,060) | (390,772) | (1,856,232) | (782,197) | (574,983) | (88,049) | (340,721) | (7,583,409) | (2,613,359) | (379,578) | (127,660) | (108,303) | (126,666) | **(17,984,368)** |
| **Carrying amount** | **4,993,079** | **2,617,561** | **732,610** | **407,625** | **35,342** | **433,488** | **47,968** | **31,938** | **2,837,121** | **498,784** | **128,197** | **17** | **26,737** | **114,302** | **12,904,769** |

## Notes to the Financial Statements

| Figures in R | 2026 | 2025 |
|---|---|---|

***Property, plant and equipment continued...***

Buildings and improvements include fixed property to the value of R1, which comprises of communal property transferred by the developer to the company and consists of the following Erven:

**3.2** 1, 107, 172, 174, 184, 211, 212, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, portion 1 of 170 and portion 16 of 170 The Coves Township, Registration Division J.Q., North West Province. Erven: 34, 35 and 36 Heron Cove Township, Registration Division J.Q., North West Province

### 4. Inventories

**Inventories comprise:**

| | | |
|---|---|---|
| Consumables on hand | 61,457 | 35,888 |

### 5. Trade and other receivables

**Trade and other receivables comprise:**

| | | |
|---|---|---|
| Outstanding levies | 2,714,887 | 2,403,894 |
| Madibeng rates and taxes | 76,757 | 48,258 |
| Levies billed in advance | (2,169,786) | (2,049,561) |
| Water levies receivable | 196,943 | 159,775 |
| Prepayments | 35,309 | 170,038 |
| | 854,110 | 732,404 |

### 6. Current tax liabilities

**Current tax liabilities comprise the following balances**

| | | |
|---|---|---|
| Net current tax liability from all items being set off | (53,524) | (39,558) |
| **Total current tax liability per the statement of financial position** | **(53,524)** | **(39,558)** |

### 7. Cash and cash equivalents

**Cash and cash equivalents included in current assets:**

| | | |
|---|---|---|
| Current Accounts | 429,715 | 1,310,332 |
| Building Deposits | - | 4,081 |
| Investment Accounts | 7,794,509 | 10,071,606 |
| Credit Card | 18,030 | - |
| | **8,242,254** | **11,386,019** |

## Notes to the Financial Statements

| Figures in R | 2026 | 2025 |
|---|---|---|
| **8. Trade and other payables** | | |
| **Trade and other payables comprise:** | | |
| Accruals | 498,767 | 1,253,720 |
| Rental deposits | 6,042 | 6,042 |
| Aero club | 275,499 | 200,289 |
| Resale clearance balance | 65,889 | 49,395 |
| Salary control accounts | 152,404 | 124,536 |
| Provisions - Bonus and leave | 394,993 | 403,548 |
| Municipal service | 55,755 | 922,544 |
| Audit fees | 53,620 | 54,640 |
| Building deposits | 415,000 | 630,657 |
| Prepaid levies | 238,462 | 166,456 |
| **Total trade and other payables** | **2,156,431** | **3,811,827** |
| **9. Levies** | | |
| **Levies comprises:** | | |
| Levies billed | 21,654,720 | 20,270,400 |
| **10. Other gains and (losses)** | | |
| Sale of assets | 3,000 | 120,000 |
| **11. Finance income** | | |
| **Interest received:** | | |
| Banks | 580,960 | 830,626 |
| Members | 256,888 | 130,300 |
| **Total finance income** | **837,848** | **960,926** |
| **12. Water and Sewerage expenses** | | |
| **Water and Sewerage expenses comprise:** | | |
| Electricity | 1,041,154 | 1,504,740 |
| Generator fuel and repairs | 56,196 | 57,757 |
| SLA water and sewerage | 765,785 | 633,441 |
| Data logger | 30,372 | - |
| Water readings | 76,560 | 72,570 |
| Sewerage maintenance and chemicals | 268,238 | 331,786 |
| Water and sewerage reticulation | 184,218 | 57,687 |
| **Total municipal charges** | **2,422,523** | **2,657,981** |

## Notes to the Financial Statements

| Figures in R | 2026 | 2025 |
|---|---|---|
| **13. Income tax expense** | | |
| **Income tax recognised in surplus or deficit:** | | |
| **Current tax** | | |
| Taxation | 446,506 | 377,831 |
| **Total current tax** | **446,506** | **377,831** |
| **14. Cash flows from operating activities** | | |
| **Surplus for the year** | **894,185** | **663,834** |
| **Adjustments for:** | | |
| Income tax expense | 446,506 | 377,831 |
| Finance income | (837,848) | (960,926) |
| Depreciation and amortisation expense | 2,905,451 | 2,685,260 |
| Gains and losses on sale of non-current assets | (3,000) | (120,000) |
| **Change in operating assets and liabilities:** | | |
| Adjustments for (increase) / decrease in inventories | (25,569) | 9,481 |
| Adjustments for (increase) / decrease in trade accounts receivable | (310,993) | 5,472 |
| Adjustments for decrease in other operating receivables | 189,287 | 68,037 |
| Adjustments for decrease in trade accounts payable | (754,955) | (689,593) |
| Adjustments for (decrease) / increase in other operating payables | (900,443) | 18,125 |
| **Net cash flows from operations** | **1,602,621** | **2,057,521** |
| **15. Other income** | | |
| Farming income | 90,000 | - |
| Agent registration fees | 14,000 | 4,000 |
| Boat registration fees | - | 600 |
| Canoe racks | - | 8,000 |
| Clearance certificate fees | 23,760 | 26,003 |
| Fines | 28,490 | 36,000 |
| Unclaimed deposits | 350,657 | - |
| Sundry income | 17,205 | 24,196 |
| Rental and utilities income | 527,198 | 405,090 |
| Unclaimed prior year receipts | 46,509 | 34,336 |
| Insurance claim | 70,803 | 13,409 |
| | **1,168,622** | **551,634** |

## Notes to the Financial Statements

| Figures in R | 2026 | 2025 |
|---|---|---|
| **16. Property expense services** | | |
| Department of Water and Sanitation | 22,706 | 13,989 |
| Electricity | 982,789 | 963,096 |
| Rates Madibeng Local Council | 131,995 | 106,774 |
| Recycling costs | 87,980 | 91,580 |
| Refuse Madibeng Local Council | 411,540 | 403,616 |
| Waste disposal and pest control | 96,298 | 85,717 |
| Electrical reticulation | 116,185 | - |
| | **1,849,493** | **1,664,772** |
| **17. Estate repairs and maintenance** | | |
| Electrical | 173,554 | 91,767 |
| Fire equipment | 23,084 | 36,534 |
| Plumbing | 22,909 | 67,858 |
| Toilet hire | 30,680 | 37,820 |
| Buildings and facilities | 168,210 | 177,630 |
| Roads | 196,583 | 162,573 |
| Aviation maintenance | 14,863 | 32,273 |
| Cleaning materials | 43,089 | 47,656 |
| Tool hire/small tools | 69,651 | 19,901 |
| Signage | 27,290 | 8,298 |
| Generator fuel and repairs | 53,064 | 36,966 |
| Internal dams | 69,111 | 129,717 |
| Shoreline cleaning | 11,817 | 12,710 |
| Compost site | - | 4,454 |
| | **903,905** | **866,157** |
| **18. Security** | | |
| Security guarding service | 4,858,851 | 4,497,197 |
| Fence maintenance | 44,502 | 75,348 |
| Access screening | 2,089 | 15,279 |
| Access control cost | 888,937 | 441,246 |
| Motor vehicle - fuel and oil | 20,155 | 29,544 |
| Security maintenance | 101,786 | 149,935 |
| Offsite camera monitoring | 40,756 | 42,780 |
| Service level agreement - Cameras | 102,350 | 246,330 |
| | **6,059,426** | **5,497,659** |

## Notes to the Financial Statements

| Figures in R | 2026 | 2025 |
|---|---|---|
| **19. Reserve fund levy** | | |
| Opening balance | 11,389,877 | 8,917,877 |
| Reserve levies billed | 2,719,200 | 2,472,000 |
| Buy in levy | 202,900 | - |
| Utilisation | (6,517,977) | - |
| Balance reserve fund levy | **7,794,000** | **11,389,877** |
| **Total reserves** | **7,794,000** | **11,389,877** |

| 20. Related party transaction | Relationship | Services rendered | Amount |
|---|---|---|---|
| D L Keeling | Director | Services rendered to the company on common property and equipment paid to the related party. | 313,532 |
| Z W Mostert | Director | Services rendered to the company - management fees and equipment paid to the related party. | 81,000 |

### 21. Long term commitments

The Company did not enter into any long term commitments during the reporting period.

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

## Detailed Income Statement

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| **Revenue** | 9 | | |
| Levies | | 21,654,720 | 20,270,400 |
| **Other income** | | | |
| Madibeng refuse settlement | | 222,914 | - |
| Other income | 15 | 1,168,622 | 551,634 |
| Padel - nett amount | | 8,492 | - |
| Speeding infringements | | 359,995 | - |
| Water levies | | 2,525,587 | 2,289,075 |
| | | **4,285,610** | **2,840,709** |
| **Administrative expenses** | | | |
| Accounting fees | | (442,880) | (419,790) |
| Auditors remuneration - fees | | (61,430) | (58,550) |
| Bank charges | | (29,119) | (25,956) |
| Communication and marketing | | (267,409) | (334,384) |
| Secretarial fees | | (4,649) | (15,290) |
| Subscriptions | | (14,415) | (14,415) |
| | | **(819,902)** | **(868,385)** |
| **Other expenses** | | | |
| ARAC | | (45,627) | (15,220) |
| Community support | | (5,704) | (6,756) |
| Consulting fees | | (202,697) | (80,604) |
| Depreciation | 3 | (2,905,447) | (2,685,260) |
| Employee costs | | (6,387,303) | (5,445,798) |
| Equipment rental | | - | (22,517) |
| Estate repairs and maintenance | 17 | (903,905) | (866,157) |
| Farming expenses | | (175,465) | (165,587) |
| Functions | | (124,696) | (67,079) |
| Health and safety | | (73,163) | (73,149) |
| Insurance | | (728,348) | (678,068) |
| Landscaping, gardening, pools , fertilizer and environmental | | (570,173) | (425,895) |
| Legal fees | | (101,141) | (59,548) |
| Meeting expenses | | (59,446) | (90,832) |
| Motor vehicle expense | | (518,098) | (456,739) |
| Office consumables | | (59,126) | (39,804) |
| Operational projects | | (944,924) | (1,084,168) |
| Precinct project | | (262,055) | - |
| Printing and stationery | | (72,591) | (43,653) |
| Property expense services | 16 | (1,849,493) | (1,664,772) |
| Security | 18 | (6,059,426) | (5,497,659) |
| Tax return fees | | (550) | - |
| Technology and equipment | | (148,684) | (154,739) |
| Water and sewerage expenses | 12 | (2,422,523) | (2,657,981) |
| | | **(24,620,585)** | **(22,281,985)** |
| **Other gains and losses** | 10 | | |
| Gain on disposal of fixed assets | | 3,000 | 120,000 |
| **Surplus from operating activities** | | **502,843** | **80,739** |

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

## Detailed Income Statement

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| **Finance income** | 11 | | |
| Banks | | 580,960 | 830,626 |
| Members | | 256,888 | 130,300 |
| | | **837,848** | **960,926** |
| **Surplus before tax** | | **1,340,691** | **1,041,665** |
| **Income tax** | 13 | | |
| Current tax | | (446,506) | (377,831) |
| **Surplus for the year** | | **894,185** | **663,834** |

# The Coves Governing Body NPC

(Registration Number 2003/010909/08)
Annual Financial Statements for the year ended 30 June 2026

## Income Tax Computation

| Figures in R | Notes | 2026 | 2025 |
|---|---|---|---|
| Surplus before tax | | 1,340,691 | 1,041,665 |
| **Debit Adjustments** | | | |
| Exempt income | | (24,576,820) | (25,031,475) |
| Levy exemption in terms of s10(1)(e)(i) | | (50,000) | (50,000) |
| **Credit Adjustments** | | | |
| Expenses attributable to exempt income and not actually incurred in production of income | | 24,939,854 | 25,439,185 |
| | | 313,034 | 357,710 |
| Taxable income | | **1,653,725** | **1,399,375** |
| **Normal tax** | | **446,506** | **377,831** |
| Provisional tax | - 1st payment | (200,526) | (142,048) |
| | - 2nd payment | (192,456) | (182,262) |
| (Debit) / Credit balance brought forward | | - | (13,963) |
| **Total per statement of financial position - (Asset) / Liability** | | **53,524** | **39,558** |