

BRIDGE CITY MANAGEMENT ASSOCIATION (RF) NON-PROFIT COMPANY

Registration No. 2007/027692/08



Annual Report

For the year ended 28 February 2021



Bridge City Management Association (RF) NPC
Registration No. 2007/027692/08

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Bridge City Management Association (RF) NPC

Registration No. 2007/027692/08

Notice of Meeting

Notice is hereby given that the Annual General Meeting of the Members of the Bridge City Management Association (RF) NPC ("the Association") will be held at the offices via **Microsoft Teams on Tuesday, 31 August 2021 at 10h00** for the following purposes:

1. To receive and adopt the audited annual financial statements for the year ended 28 February 2021 which incorporates the Chairman's report to members, and the report of the independent auditors.
2. To re-appointment Stuart Edwards & Co as the auditors of the Association.
3. To elect directors in terms of Article 5.3 of the Memorandum of Incorporation.

The Board shall comprise not less than **four (4) no more than ten (10) directors during the Development period, four (4) of whom shall be nominees of the Developer**. It would facilitate secretarial procedures if nominations for the appointment of Directors could be received no later than 20 August 2021:

- By Post to the Bridge City Management Association, c/o UrbanMGT, P.O. Box 867, uMhlanga Rocks
- By Hand to Bridge City Management Association, c/o BCMA Offices, 1st Floor Bridge City Medical Centre, 8 Nogwaja Road
- By email to Hloniphani@urbanmgt.co.za

Nominations must be in writing with the name of the proposer and seconder, the acceptance of such nomination by the nominee, and should be accompanied by the curriculum vitae of such nominee.

4. To transact such other business as may be transacted at an annual general meeting.

NOTE:

Any member entitled to attend and vote is entitled to appoint a proxy to attend, vote and speak in his/her stead, and such proxy need not also be a member of the Company. A proxy form is enclosed for this purpose.

Items for discussion under any agenda item should be advised to the Chair Bridge City Management Association C/O BCMA Offices, 1st Floor Bridge City Medical Centre, 8 Nogwaja Road or emailed to Hloniphani@urbanmgt.co.za by no later than the 20 August 2021. Please note that such notification must be in writing.

In terms of clause 14.12 of the Memorandum of Incorporation, any member who is 60 (sixty) days or more in arrears in the payment of any levies due to the Association in terms of the MOI, shall not be allowed to vote at the meeting, either in person or by proxy By order of the Board



Bridge City Management Association (RF) NPC
Registration No. 2007/027692/08

Directors Nomination Form for the Annual General Meeting of 31 August 2021

I, the undersigned:

duly authorised representative of:

being a fully paid up member of the Association and registered owner of Ptn:

in the area known as BRIDGE CITY, hereby nominate for appointment as Director of the Association:

.....

Proposer's signature

Nominee's signature

Directors Nomination Forms & Proxy forms should be delivered to Bridge City Management Association by 20 August 2021:

By Post: c/o UrbanMGT, P.O. Box 867, uMhlanga Rocks;

By Hand c/o BCMA Offices, 1st Floor Bridge City Medical Centre, 8 Nogwaja Road; or

By email to Hloniphani@urbanmgt.co.za



Bridge City Management Association (RF) NPC

Registration No. 2007/027692/08

Form of Proxy

I, the undersigned.....

duly authorised as representative of.....

being a fully paid up member of the Association and registered owner of Ptn No:

in the area known as BRIDGE CITY, hereby appoint:

..... (Name of Proxy)

Or, failing him/her, the Chairman of the meeting, as my proxy to vote for me and on my behalf at the Annual General Meeting of the Association to be held on 31 August 2021.

I record that my proxy will vote as he/she thinks fit.

Signed at: this..... day of.....2021.

Signature:

FOR AND BEHALF OF:

Directors Nomination Forms & Proxy forms should be delivered to Bridge City Management Association by 20 August 2021:

By Post: c/o UrbanMGT, P.O. Box 867, uMhlanga Rocks;

By Hand c/o BCMA Offices, 1st Floor Bridge City Medical Centre, 8 Nogwaja Road; or

By email to Hloniphani@urbanmgt.co.za



Bridge City Management Association (RF) NPC

Registration No. 2007/027692/08

Agenda

1. Welcome

2. Apologies

3. Notice of meeting and quorum

The quorum required for the Annual General Meeting is 15% of the voting rights entitled to vote, personally present, or by its duly authorized representative – subject to a minimum of three (3) members, with one (1) member from the Developer during the Development Period.

4. To adopt the Minutes of the Annual General Meeting held on 20 August 2020.

5. Matters arising from the previous Annual General Meeting minutes

6. Chairman's Report to be presented

7. Resolution 1: To receive and adopt the annual financial statements for the year ended 28 February 2021, which incorporates the Chairman's report to members, and the report of the independent auditors.

8. Resolution 2: To re-appoint Stuart Edwards & Co as the auditors of the Company.

9. Resolution 3: To elect Directors for the ensuing year. Current directors who will resign include: Simphiwe Maphumulo, Mbongiseni Godswill Gcaba, Siyabonga Desmond Hlengwa, Mtura Matshini, Karen Petersen and Jimmy Mthethwa. The following directors will be available for re-election: Simphiwe Maphumulo, Mbongiseni Godswill Gcaba, Siyabonga Desmond Hlengwa, Mtura Matshini, Karen Petersen, Jimmy Mthethwa, Sipho Evans and Kevin Matthews.

10. General

11. Close of Meeting

By order of the Board



Bridge City Management Association (RF) NPC (“BCMA”)

Registration No. 2007/027692/08

Minutes of the Bridge City AGM held via Microsoft Teams Meeting on 20 August 2020 at 14h00

Directors:

Name	Initial	Representing	Present	Apologies
Desmond Pretorius	DP	Capital Land	In attendance	
Simphiwe Maphumulo	SMap	Garlicke & Bousfield	In attendance	
Mtura Matshini	MM	Tongaat Hulett Developments (THD)	In attendance	
Bongi Gcaba	BG	KZN Department of Health	In attendance	
Siyabonga Hlengwa	SH	Hlengwa/Zulu Investments		Apologies

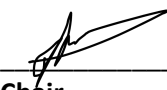
By Invitation:

Name	Initial	Representing	Present	Apologies
Maxine Schilz	MS	Bridge City MA	In attendance	
Joanne Barnard	JB	Bridge City MA	In attendance	
Nwabisa Mkhize	NM	Bridge City MA	In attendance	
Hloniphan Mpanza	HM	Bridge City MA	In attendance	
Bruce Macaulay	BMac	Bridge City MA	In attendance	
Cherrie Francis	CF	Bridge City MA	In attendance	
Fabian Naidoo	FN	Stuart Edwards & Company	In attendance	

AGM 1/20	Welcome and Introductions	Action
	The Chair welcomed all to the Annual General Meeting of Members of the Bridge City Management Association (BCMA) (RF) NPC.	
AGM 2/20	Apologies	
	Apologies were recorded as listed above.	
AGM 3/20	Quorum	
	Attendees confirmed having received due notice of the meeting.	
	The meeting noted that quorum required for the Annual General Meeting was 15% of voting rights entitled to vote, personally present, or by its duly authorised representative subject to a minimum of 3 members with 1 member from the Developer during the Development period. With these members being present and notice being properly given, the Chair declared the meeting duly constituted.	
AGM 4/20	Update on Tongaat Hulett Properties	
	Mtura Matshini (MM) confirmed that Tongaat Hulett had recently undergone a number of management changes, with Bongani Gumede being appointed to Tongaat Hulett as the Corporate Affairs Executive and Dan Marakhane having been appointed as the new Head of	

	Tongaat Hulett Properties (THP). In addition, MM announced that Karen Petersen had been appointed as a consultant to THP, with her main portfolio being management associations.	
AGM 5/20	Introductions of the Board and the Management Team	
	The Chair introduced the meeting to the Directors and Management Team: • Simphiwe Marcus Maphumulo Garlicke & Bousfield • Mbongiseni Godswill Gcaba KZN Department of Health • Siyabonga Desmond Hlengwa Hlengwa/Zulu Investments • Mtura Matshini Tongaat Hulett Properties • Desmond Pretorius Capital Land The Chair noted the resignation of Yusuf Patel (YP) as Director during the period. The Chair extended thanks to YP for all his efforts and wished him well on his future endeavours. Cherrie Francis (CF) undertook to arrange for the removal of YP from the CIPC Register. The Chair further introduced Nwabisa Mkhize, Bruce Macaulay, Maxine Schilz, Hlonipani Mpanza, Joanne Barnard and Cherrie Francis of the BCMA's Management Team, noting that Fabian Naidoo was in attendance as a representative of the Auditors, Stuart Edwards & Co.	CF
AGM 6/20	To adopt the Minutes of the Annual General Meeting held on 28 February 2020.	
	The Minutes of the Annual General Meeting held on <u>28 August 2019</u> had been circulated to attendees before the meeting. It was noted that there were no changes to the minutes and were subsequently proposed by Simphiwe Marcus Maphumulo (SM) and seconded by Bongi Gcaba (BG). The minutes were therefore approved and adopted.	
AGM 7/20	Matters Arising from Previous Minutes	
	The meeting noted the Action Log as circulated ahead of the meeting. All actions are taken as completed or appeared elsewhere on the agenda, unless detailed below:	
a)	Minute AGM 11/19 – Appointment of New Directors: JB confirmed that this was ongoing due to the most recent Board changes.	CF
AGM 8/20	Chairman's Report to Be Presented	
	The meeting noted the Chairman's Report, as circulated ahead of the meeting, which was taken as read and by exception. Nwabisa Mkhize (NM) explained that the Calgro M3 (Ptn 159) site had been handed over on 31 July 2020. In addition, the Instratin (Ptns 50 – 54) sites had also been transferred from the EDJV on 14 July 2020. The Chair closed off the report by thanking the Bridge City Management Association's Board of Directors and their service providers for their efforts, time and commitment to the Association.	
AGM 9/20	Resolution 1 – To receive and adopt the annual financial statements for the year ended <u>28 February 2020</u>, which incorporates the Chairman's report to members, and the report of the independent auditors.	
	The meeting noted that the Annual Financial Statements were approved by the Board ahead of the AGM. Fabian Naidoo (FN) from Stuart Edwards & Co invited comments on the AFS of which there were none, therefore the Chair called for a proposer and seconder for the AFS to be approved and adopted.	

	<u>As proposed by SM and seconded by BG, the motion was put to the meeting and unanimously carried.</u> FN was thanked for his attendance and left the meeting at 14h16.	
AGM 10/20	Resolution 2: To re-appoint Stuart Edwards & Co as the auditors of the Company. The meeting noted that the Section 139(2) of the Companies Act, 2013 required that all listed companies and certain categories of unlisted companies should mandatorily rotate their auditors, in accordance with the following: • an individual as auditor for no more than one term of five consecutive years; and • an audit firm as auditor for no more than two terms of five consecutive years. Due to the BCMA being considered a public interest entity and the Board's ongoing endeavour to be the custodian of good governance for the Association, the Board had committed to meeting the above requirements. It was noted that Stuart Edwards and Company were currently on their 5th consecutive year of appointment, with Stuart Edwards being the audit partner. A rotation of the audit partner has been discussed and agreed with Stuart Edwards for the next audit cycle. With the above being taken into account, the Chair proposed the re-appointment of Stuart Edwards & Co as the auditors of the Company, motion was out to the meeting and <u>was unanimously carried.</u>	
AGM 11/20	Resolution 3: To elect directors for the ensuing year 2018/2019 The Chair explained that the Directors would retire at this Annual General Meeting. It was noted that the Tongaat Hulett Properties (THP) appointed Directors are automatically re-elected: Mtura Matshini (MM) and Simphiwe Marcus Maphumulo (SM) were directors re-appointed by virtue of their role. MM explained that THP would also be appointing Karen Petersen as their third director on the BCMA Board. In addition, the following non-THD directors were available for re-election: • Mbongiseni Godswill Gcaba - KZN Department of Health • Desmond Pretorius - Capital Land • Siyabonga Desmond Hlengwa - Hlengwa/Zulu Investments In addition, BC advised that as the Dr Pixley Ka Isaka Seme Memorial Hospital was nearing completion he would be stepping back in his role and as such requested that Dr. Jimmy Mthethwa, new CEO of the hospital be appointed as his alternate director. The meeting noted the Companies Act of 2008 required that Directors be individually elected, and as such he called for nominations of directors: • Mtura Matshini – nominated by Tongaat Hulett Developments, seconded by Simphiwe Maphumulo. • Simphiwe Maphumulo – nominated by Tongaat Hulett Developments, seconded by Bonggi Gcaba. • Bonggi Gcaba – nominated by Mtura Matshini and seconded by Simphiwe Maphumulo.	

	- Desmond Pretorius – nominated by Simphiwe Maphumulo and seconded by Bongi Gcaba. - Siyabonga Hlengwa – nominated by Simphiwe Maphumulo and seconded by Mtura Matshini. - Karen Petersen – nominated by Mtura Matshini and seconded by Simphiwe Maphumulo. - Dr. Jimmy Mthethwa – nominated by Bongi Gcaba and seconded by Mtura Matshini. There were no objections to the nominations, the Chair moved that the nominees be elected to the Board until the next Annual General Meeting. <u>The motion was unanimously carried.</u> CF undertook to arrange for the appointment documentation to be prepared and submitted to CIPC.	CF
AGM 12/20	General	
	The Chair asked whether there was any other business to be dealt with under general. - Nwabisa Mkhize (NM) undertook to circulate to the board the anticipated levies received due to transfers taken place. - In response to a question, BG stated that the Dr Pixley Ka Isaka Seme Memorial Hospital was expected to open by October 2020, should lower level staff be sourced.	NM
AGM 13/20	Meeting Closure	
	There being no further business the Chair thanked the meeting for their attendance and declared the meeting closed at 14h30.	
	Read and confirmed this <u>18</u> day of <u>August</u> 2020.  Chair	

Bridge City Management Association (RF) NPC

Registration No. 2007/027692/08

Summary of Actions coming out meetings:

Annual General Meeting – 20 August 2020

	Date of meeting:	Minute no.	Action:	By whom	Status
1.	20/08/2020	5/20	Resignation of Directors JB / CF to attend to the resignation of Yusuf Patel	CF	Done
2.	20/08/2020	11/20	Appointment of Directors CF to attend to appointments of Karen Petersen – THD Nominated Director and Dr Jimmy Mthethwa – Bongsi Gcaba's Alternate Director	CF	Done
3.	20/08/2020	12/20	General NM to circulate to the board the anticipated levies received due to transfers taken place.	NM	Done

**Bridge City Management Association (RF) NPC
(Registration number 2007/027692/08)
Annual financial statements
for the year ended 28 February 2021
Issued 02 August 2021**

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Management association
Directors	MG Gcaba SD Hlengwa SM Maphumulo M Matshini KD Petersen JM Mthethwa
Registered office	305 Umhlanga Rocks Drive La Lucia 4051
Business address	305 Umhlanga Rocks Drive La Lucia 4051
Bankers	Standard Bank of South Africa Limited
Auditors	Stuart Edwards & Company Chartered Accountants (SA) Registered Auditor 349 Vause Road Overport Durban 4001
Company registration number	2007/027692/08

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

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

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

Detailed Income Statement	16
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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, 2008.

Published

02 August 2021

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, 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. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Association 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 Association and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of 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 Association and all employees are required to maintain the highest ethical standards in ensuring the Association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Association is on identifying, assessing, managing and monitoring all known forms of risk across the Association. While operating risk cannot be fully eliminated, the Association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

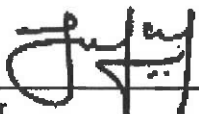
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The directors have reviewed the Association'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 Association 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 Association's annual financial statements. The annual financial statements have been examined by the Association's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 02 August 2021 and were signed on its behalf by:

Approval of annual financial statements



Director



Director



STUART EDWARDS & COMPANY

CHARTERED ACCOUNTANTS (SOUTH AFRICA)

Independent Auditor's Report

To the members of Bridge City Management Association NPC

Opinion

We have audited the annual financial statements of Bridge City Management Association (RF) NPC (the company) set out on pages 7 to 15, 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 Bridge City Management Association (RF) NPC 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, 2008.

Basis for Opinion

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Bridge City Management Association (RF) NPC annual financial statements for the year ended 28 February 2021", which includes the Directors' Report as required by the Companies Act of South Africa, 2008 and the supplementary information as set out on page 16, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. 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 and will 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 on the other information obtained prior to the date of this auditor's report, 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, 2008, 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.



STUART EDWARDS & COMPANY

CHARTERED ACCOUNTANTS (SOUTH AFRICA)

Independent Auditor's Report

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.

Stuart Edwards & Co

Stuart Edwards & Company
W.S. Richards-Edwards
Chartered Accountants (SA)
Registered Auditor

02 August 2021

349 Vause Road
Overport
Durban
4001

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Bridge City Management Association (RF) NPC for the year ended 28 February 2021.

1. Nature of business

Bridge City Management Association (RF) NPC was incorporated and operates in South Africa.

The purpose of the Association is to advance and protect the interests of the members, being the owners of immovable property in the Bridge City Management Association, and to provide, promote and maintain essential services, amenities and activities within the Association.

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

2. 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, 2008. 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 association are set out in these annual financial statements.

3. Directors

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

Directors	Changes
MG Gcaba	
SD Hlengwa	
SM Maphumulo	
Y Patel	Resigned 20 August 2020
D Pretorius	Resigned 30 September 2020
M Matshini	Appointed 20 August 2020
KD Petersen	Appointed 20 August 2020
JM Mithethwa	Appointed 20 August 2020

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 28 February 2021 the company's investment in property, plant and equipment amounted to R2 116 051 (2020:R3 056 518).

5. 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.

6. Auditors

Stuart Edwards & Company continued in office as auditors for the company for 2021.

7. Covid-19

Both the management and directors of the association are aware of the COVID-19 pandemic and continue to monitor the situation closely. Whilst no doubt the majority of members have been greatly inconvenienced by the pandemic, the association created a levy deferral policy whereas members were able to defer their levies between April and June 2020 and repay over six months thereafter.

Nevertheless the related events are considered to be non-adjusting events both before and after the reporting period.

8. July 2021 unrest

The directors are not expecting a major impact in terms of levy collection due to the unrest. All levies are based on purchased land bulk and not value of properties. Any restoration costs to the public open space within the precinct is sufficiently covered with SASRIA insurance.

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

Statement of Financial Position as at 28 February 2021

Figures in Rand	Notes	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	2 116 051	3 056 518
Current Assets			
Trade and other receivables	3	2 371 772	1 529 548
Current tax receivable		4 503	-
Cash and cash equivalents	4	3 749 790	3 404 978
		6 126 065	4 934 526
Total Assets		8 242 116	7 991 044
Equity and Liabilities			
Equity			
Reserves		3 666 431	3 316 223
Retained income		4 492 326	4 510 412
		8 158 757	7 826 635
Liabilities			
Current Liabilities			
Trade and other payables	5	83 359	161 051
Current tax payable		-	3 358
		83 359	164 409
Total Equity and Liabilities		8 242 116	7 991 044

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

Statement of Comprehensive Income

Figures in Rand	Notes	2021	2020
Revenue	6	7 001 091	6 343 025
Other income	7	451 623	527 000
Operating expenses		(7 040 869)	(7 072 208)
Operating surplus/(deficit)	8	411 845	(202 183)
Finance costs	9	(5)	(62)
Surplus/(deficit) before taxation		411 840	(202 245)
Taxation	10	(79 718)	(97 655)
Surplus/(deficit) for the year		332 122	(299 900)
Other comprehensive income		-	-
Total comprehensive Income (loss) for the year		332 122	(299 900)

Bridge City Management Association (RF) NPC

(Registration number: 2007/027692/08)

Annual Financial Statements for the year ended 28 February 2021

Statement of Changes in Equity

Figures in Rand	Reserve	Retained income	Total equity
Balance at 01 March 2019	3 316 223	4 810 312	8 126 535
Deficit for the year	-	(299 900)	(299 900)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(299 900)	(299 900)
Balance at 01 March 2020	3 316 223	4 510 412	7 826 635
Surplus for the year	-	332 122	332 122
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	332 122	332 122
Transfer to maintenance reserve from income	350 208	(350 208)	-
Balance at 28 February 2021	3 666 431	4 492 326	8 158 757

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Statement of Cash Flows

Figures in Rand	Notes	2021	2020
Cash flows from operating activities			
Cash generated from operations	12	782 604	200 556
Finance costs		(5)	(62)
Tax paid	13	(87 579)	(92 369)
Net cash from operating activities		695 020	108 125
Cash flows from financing activities			
Transfer to reserve		(350 208)	-
Total cash movement for the year		344 812	108 125
Cash at the beginning of the year		3 404 978	3 296 853
Total cash at end of the year	4	3 749 790	3 404 978

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa, 2008. 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 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.

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:

Item	Depreciation method	Average useful life
IT equipment	Straight line	3 years
Security and surveillance equipment	Straight line	5 years

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.

1.2 Financial instruments

Financial instruments at amortised cost

These include 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.

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Accounting Policies

1.3 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.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Tax expenses

The association utilises the exemptions contained in section 10(1)(e)(i)(cc) of the Income Tax Act in determining the taxes payable on its levy and other income.

1.4 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.

1.5 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.

1.6 Borrowing costs

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

1.7 Reserve

The designated reserve component of levies collected during the financial year is identified and taken to a maintenance reserve which is intended to cover renewals and replacements to all common property that may become necessary.

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Notes to the Annual Financial Statements

Figures in Rand 2021 2020

2. Property, plant and equipment

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
IT equipment	13 719	(13 717)	2	13 719	(13 717)	2
Security and surveillance equipment	4 702 333	(2 586 284)	2 116 049	4 702 333	(1 645 817)	3 056 516
Total	4 716 052	(2 600 001)	2 116 051	4 716 052	(1 659 534)	3 056 518

Reconciliation of property, plant and equipment - 2021

	Opening balance	Depreciation	Closing balance
IT equipment	2	-	2
Security and surveillance equipment	3 056 516	(940 467)	2 116 049
	3 056 518	(940 467)	2 116 051

Reconciliation of property, plant and equipment - 2020

	Opening balance	Depreciation	Closing balance
IT equipment	4 196	(4 194)	2
Security and surveillance equipment - work in progress	3 996 983	(940 467)	3 056 516
	4 001 179	(944 661)	3 056 518

3. Trade and other receivables

Trade receivables	2 360 037	1 517 813
Deposits	11 735	11 735
	2 371 772	1 529 548

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	2 663 597	2 576 478
Short-term deposits	1 886 193	1 828 500
Development guarantees received and refundable	(800 000)	(1 000 000)
	3 749 790	3 404 978

5. Trade and other payables

Trade payables	25 661	67 079
Accrued expenses: Apps	-	56 250
Accrued audit fees	23 750	23 500
VAT	33 948	14 222
	83 359	161 051

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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
6. Revenue		
Levies from members	6 666 384	5 944 258
Interest received	334 707	398 767
	7 001 091	6 343 025
7. Other income		
Recoveries	451 623	527 000
8. Operating surplus/(deficit)		
Operating surplus/(deficit) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	200 711	186 896
Depreciation on property, plant and equipment	940 467	944 661
9. Finance costs		
Late payment of tax	5	-
Other interest paid	-	62
	5	62
10. Taxation		
Major components of the tax expense		
Current taxation		
South African normal tax - year	79 718	97 655
The association is only liable for taxation on interest received less an annual exemption of R50 000.		
11. Auditor's remuneration		
Fees	23 750	23 500
Tax and secretarial services	5 125	4 755
	28 875	28 255
12. Cash generated from operations		
Surplus/(deficit) before taxation	411 840	(202 245)
Adjustments for:		
Depreciation and amortisation	940 467	944 661
Finance costs	5	62
Transfer to reserve from retained income	350 208	-
Other non-cash items	-	(1)
Changes in working capital:		
Trade and other receivables	(842 224)	(578 516)
Trade and other payables	(77 692)	36 595
	782 604	200 556

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Annual Financial Statements for the year ended 28 February 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
13. Tax paid		
Balance at beginning of the year	(3 358)	1 928
Current tax for the year recognised in loss	(79 718)	(97 655)
Balance at end of the year	(4 503)	3 358
	(87 579)	(92 369)

14. Capital commitments and contingent liabilities

There are no capital commitments or contingent liabilities at year end (2020: R Nil).

15. Directors' and prescribed officer's remuneration

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

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Detailed Income Statement

Figures in Rand	Notes	2021	2020
Revenue			
Levies from members		6 666 384	5 944 258
Interest received		334 707	398 767
	6	7 001 091	6 343 025
Other income			
Recoveries		451 623	527 000
Operating expenses			
Accounts administration fees		49 957	46 689
Administration and management fees		1 815 589	1 726 388
Advertising		3 290	-
App development		558	54 000
Assessment rates & municipal charges		14 700	-
Auditors remuneration	11	28 875	28 255
Bank charges		3 107	4 522
Cleaning		11 722	11 242
Computer expenses		32 675	28 043
Consulting fees		8 550	43 260
Consumables		7 154	4 839
Depreciation, amortisation and impairments		940 467	944 661
Entertainment		857	5 806
Insurance		91 818	92 043
Lease rentals on operating lease		200 711	186 896
Legal expenses		-	8 800
Levies		5 160	4 400
Municipal expenses		109 740	87 256
Petrol and oil		4 163	-
Printing and stationery		36 688	30 422
Repairs and maintenance		878 332	1 184 004
Security		2 596 362	2 368 883
Social economic development		-	22 000
Subscriptions		2 000	-
Telephone and fax		68 778	67 807
Website		129 616	121 992
		7 040 869	7 072 208
Operating surplus/(deficit)	8	411 845	(202 183)
Finance costs	9	(5)	(62)
Surplus/(deficit) before taxation		411 840	(202 245)
Taxation	10	(79 718)	(97 655)
Surplus/(deficit) for the year		332 122	(299 900)