

Off Beat Holiday Club
(Registration number 010-474 NPO)
Financial statements
for the year ended 31 March 2018



GR (SA) / CA (SA)

36 Lebombo Road
Ashlea Gardens
MENLO PARK
PRETORIA 0081

P.O. BOX / POSBUS 35780
MENLO PARK 0102



Gregory, Butt & Marx

Chartered Accountants (SA)
Geoktrooierde Rekenmeesters (SA)

Registered Accountants and Auditors
Geregistreerde Rekenmeesters en
Ouditeure



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Off Beat Holiday Club

(Registration number: 010-474 NPO)

Financial Statements for the year ended 31 March 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Providing timeshare rental for members of SAPS
Committee members	G. Pillay T.A. Mashigo W.H. Steyn S.J. Hankins D. Bouwer B.H. Matloko
Registered office	Eulophia Corner 2 Quintin Brand Street Persequor Park 0020
Business address	Eulophia Corner 2 Quintin Brand Street Persequor Park 0020
Postal address	P.O. Box 183 Persequor Park Pretoria 0020
Bankers	ABSA Limited
Auditors	Gregory, Butt & Marx Chartered Accountants (SA) Registered Auditors 36 Lebombo Road Ashlea Gardens Pretoria 0081
Secretary	K. Kleynhans
Company registration number	010-474 NPO
Tax reference number	9405/033/19/3
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Off Beat Holiday Club

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

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Preparer

J.C. Scheepers
Professional Accountant (SA)

Published

26 June 2018

Off Beat Holiday Club

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Audit Committee Report

1. Members of the Audit Committee

The members of the audit committee are all independent non-executive members of club and include:

Name

D. Bouver
S.J. Hankins
B.H. Matloko

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act 71 of 2008 and Regulation 42 of the Companies Regulation, 2011

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act 71 of 2008 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

3. External auditor


The committee satisfied itself through enquiry that the external auditor is independent as defined by the Companies Act 71 of 2008 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditor that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Financial statements

Following the review of the financial statements the audit committee recommend board approval thereof.

On behalf of the audit committee



D. Bouver
Chairman Audit Committee
Pretoria
26 June 2018

Off Beat Holiday Club

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Financial Statements for the year ended 31 March 2018

Directors' Responsibilities and Approval

The board of committee members are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the club 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 auditor is engaged to express an independent opinion on the financial statements.

The 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 committee members on the board acknowledge that they are ultimately responsible for the system of internal financial control established by the club and place considerable importance on maintaining a strong control environment. To enable the committee members to meet these responsibilities, the committee members 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 club and all employees are required to maintain the highest ethical standards in ensuring the club's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the club is on identifying, assessing, managing and monitoring all known forms of risk across the club. While operating risk cannot be fully eliminated, the club endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The committee members 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The committee members have reviewed the club's cash flow forecast for the year to 31 March 2019 and, in the light of this review and the current financial position, They are satisfied that the club has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the club's financial statements. The financial statements have been examined by the club's external auditor and their report is presented on page 5.

The financial statements set out on pages 8 to 21, which have been prepared on the going concern basis, were approved by the board on 26 June 2018 and were signed on its behalf by:

Approval of financial statements



W.H. Steyn
Chairman

26 June 2018

Pretoria

Independent Auditor's Report

To the committee members of Off Beat Holiday Club

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Off Beat Holiday Club set out on pages 8 to 20, which comprise the statement of financial position as at 31 March 2018, and the statement of comprehensive income, statement of changes in equity and 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 Off Beat Holiday Club as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 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 financial statements section of our report. We are independent of the club 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The committee members are responsible for the other information. The other information comprises the Committee Members' Report and Audit Committee Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. 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 committee members for the Financial Statements

The committee members are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the committee members 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 committee members are responsible for assessing the club'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 committee members either intend to liquidate the club or to cease operations, or have no realistic alternative but to do so.



Independent Auditor's Report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- 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 club'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 club 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.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Gregory, Butt & Marx has been the auditor of Off Beat Holiday Club for 5 years.



Gregory, Butt & Marx
Chartered Accountants (SA)
Registered Auditors

Per: L.T. Gregory
Chartered Accountant (SA)
Registered Auditor (RA no. 349402)
Partner

26 June 2018

36 Lebombo Road
Ashlea Gardens
Pretoria
0081

Off Beat Holiday Club

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Financial Statements for the year ended 31 March 2018

Committee Members' Report

The board of committee members have pleasure in submitting their report on the financial statements of Off Beat Holiday Club for the year ended 31 March 2018.

1. Nature of business

Off Beat Holiday Club was incorporated in South Africa with interests in the General (incl wholesale and retail sales) industry. The club operates in South Africa.

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

2. Review of financial results and activities

The 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 71 of 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 club are set out in these financial statements.

3. Committee members

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

Committee members	Nationality	Changes
G. Pillay	South African	
T.A. Mashigo	South African	
W.H. Steyn	South African	
S.J. Hankins	South African	
D. Bouver	South African	
B.H. Matloko	South African	

There have been no changes to the directorate for the period under review.

4. Events after the reporting period

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

5. Auditors

Gregory, Butt & Marx continued in office as auditors for the club for 2018.

6. Secretary

The company secretary is K. Kleynhans.

Business address

Eulophia Corner
2 Quintin Brand Street
Persequor Park
Pretoria
0020

Off Beat Holiday Club

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Financial Statements for the year ended 31 March 2018

Statement of Financial Position as at 31 March 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	3	343 681	516 731
Investment property at fair value	2	5 828 021	5 828 021
Investment in associate	4	100	100
Loans to group companies	5	4 673 188	4 780 799
Other financial assets	6	3 492 910	6 121 325
Timeshare investment	7	196 162 181	182 206 390
		210 500 081	199 453 366
Current Assets			
Trade and other receivables	8	650 308	582 499
Cash and cash equivalents	9	3 024 087	858 455
		3 674 395	1 440 954
Total Assets		214 174 476	200 894 320
Equity and Liabilities			
Equity			
Retained income		213 397 353	198 477 091
Liabilities			
Current Liabilities			
Trade and other payables	11	477 258	2 060 263
Provisions	10	299 865	356 966
		777 123	2 417 229
Total Equity and Liabilities		214 174 476	200 894 320

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Statement of Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	12	10 858 105	9 637 181
Other income		261 979	283 965
Operating expenses		(6 322 827)	(5 655 439)
Operating profit		4 797 257	4 265 707
Investment revenue	13	412 585	665 736
Fair value adjustments	14	9 710 492	3 869 611
Finance costs	15	(72)	(57)
Profit for the year		14 920 262	8 800 997
Other comprehensive income		-	-
Total comprehensive income for the year		14 920 262	8 800 997

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Financial Statements for the year ended 31 March 2018

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 April 2016	189 676 094	189 676 094
Profit for the year	8 800 997	8 800 997
Other comprehensive income	-	-
Total comprehensive income for the year	8 800 997	8 800 997
Balance at 01 April 2017	198 477 091	198 477 091
Profit for the year	14 920 262	14 920 262
Other comprehensive income	-	-
Total comprehensive income for the year	14 920 262	14 920 262
Balance at 31 March 2018	213 397 353	213 397 353

Note(s)

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Financial Statements for the year ended 31 March 2018

Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash receipts from members		10 858 105	9 760 423
Cash paid to suppliers and employees		(7 595 713)	(3 579 034)
Cash generated from operations	17	3 262 392	6 181 389
Interest income		385 355	641 521
Dividends received		27 230	24 215
Finance costs		(72)	(57)
Net cash from operating activities		3 674 905	6 847 068
Cash flows from investing activities			
Loans to associates repaid		107 611	-
Loans advanced to associates		-	(8 126)
Purchase of financial assets		(360 000)	(2 360 000)
Other movement of financial assets		12 698 907	(121 343)
Movement on timeshare investment		(13 955 791)	(5 098 922)
Net cash from investing activities		(1 509 273)	(7 588 391)
Total cash movement for the year		2 165 632	(741 323)
Cash at the beginning of the year		858 455	1 599 778
Total cash at end of the year	9	3 024 087	858 455

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Financial Statements for the year ended 31 March 2018

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The 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 71 of 2008. The financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years
Paintings	Straight line	25 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.

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 Investments in associates

Investments in associates are accounted for using the equity method.

1.3 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.

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Financial Statements for the year ended 31 March 2018

Accounting Policies

1.3 Financial instruments (continued)

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.

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.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

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.

Operating leases - lessor

Operating lease income is recognised as an income 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 receipt of payments is 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.

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.

1.5 Impairment of assets

The club assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill 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.

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Accounting Policies

1.5 Impairment of assets (continued)

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.

1.6 Provisions and contingencies

Provisions are recognised when the club has an obligation at the reporting date as a result of a past event; it is probable that the club 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.

1.7 Revenue

Revenue is recognised to the extent that the club 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 club. 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.

1.8 Borrowing costs

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

1.9 Timeshare Investment

Timeshare investment are carried at current market value as at year end.

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand 2018 2017

2. Investment property at fair value

Reconciliation of investment property at fair value - 2018

	Opening balance	Total
Investment property	5 828 021	5 828 021

Reconciliation of investment property at fair value - 2017

	Opening balance	Total
Investment property	5 828 021	5 828 021

Details of property

Unit 11, Eulophia Corner, Sectional Scheme nr 378, Persequor, Pretoria

Title deed nr. ST43878/2015

- Purchase price: 20 May 2015

- Capitalised expenditure

5 793 652 5 793 652

34 369 34 369

5 828 021 5 828 021

Registers with details of land and buildings are available for inspection by or their duly authorised representatives at the registered office of the company.

3. Property, plant and equipment

	2018			2017		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	683 698	(541 856)	141 842	683 698	(446 064)	237 634
Motor vehicles	298 276	(268 449)	29 827	298 276	(208 793)	89 483
Office equipment	65 148	(40 717)	24 431	65 148	(29 859)	35 289
IT equipment	176 463	(176 458)	5	176 463	(176 458)	5
Paintings	169 350	(21 774)	147 576	169 350	(15 030)	154 320
Total	1 392 935	(1 049 254)	343 681	1 392 935	(876 204)	516 731

Reconciliation of property, plant and equipment - 2018

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	237 634	(95 792)	141 842
Motor vehicles	89 483	(59 656)	29 827
Office equipment	35 289	(10 858)	24 431
IT equipment	5	-	5
Paintings	154 320	(6 744)	147 576
	516 731	(173 050)	343 681

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand

2018

2017

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	333 425	(95 791)	237 634
Motor vehicles	149 138	(59 655)	89 483
Office equipment	46 147	(10 858)	35 289
IT equipment	3 788	(3 783)	5
Paintings	161 094	(6 774)	154 320
	693 592	(176 861)	516 731

4. Investment in associate

Name of associate	% holding 2018	% holding 2017	Carrying amount 2018	Carrying amount 2017
Eulophia Properties (Pty) Ltd	100.00 %	100.00 %	100	100

The entity is incorporated in South Africa and share the year end of the organisation.

5. Loan to associate

Associate

Eulophia Properties (Pty) Ltd	4 673 188	4 780 799
This loan bears no interest and is repayable in annual instalments of R 240 000. Furthermore Off Beat Holiday Club has secured the loan by taking full shareholding rights of the company, including the ceding of lease agreements to Off Beat Holiday Club.		

6. Other financial assets

At fair value

Allan Gray Investment Platform Unit Trust PSG Wealth Income Fund, PSG Wealth Moderate Fund and PSG Wealth Preserver Fund.	3 043 423	5 431 838
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At amortised cost

SARS - PAYE overpayment	189 487	189 487
Port Edward Holiday Resort NPC	260 000	500 000

This loan is unsecured, bears no interest and is repayable in 24 monthly instalments of R 21 000.

449 487 **689 487**

Total other financial assets

3 492 910 **6 121 325**

Non-current assets

At fair value	3 043 423	5 431 838
At amortised cost	449 487	689 487
	3 492 910	6 121 325

Off Beat Holiday Club

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand 2018 2017

6. Other financial assets (continued)

Details of investments

At fair value

Allan Gray Balanced Fund - 164.48 units @ 10 420.54 cents per unit	17 139	78 895
Allan Gray Stable Fund - 13 969.72 units @ 3 552.25 cents per unit	496 239	468 416
PSG Flexible Fund (Class A) - 3 227.47 units @ 539.19 cents per unit	17 402	82 017
PSG Wealth Income Fund - 30 246.09 units @ 1 219.84 cents per unit	368 954	1 047 711
PSG Wealth Moderate Fund - 2 734.55 units @ 2 943.54 cents per unit	80 493	490 610
PSG Wealth Preserver Fund - 100 152.71 units @ 2 080.05 cents per unit	2 063 196	3 264 189
	3 043 423	5 431 838

7. Timeshare investment

Opening balance	182 206 390	173 311 955
Purchases	4 357 489	5 098 922
Fair value adjustment	9 598 302	3 795 513
	196 162 181	182 206 390

Timeshare investment is measured at the current market value as valued by Club Leisure Group. As per valuation certificate dated, 5 May 2018.

8. Trade and other receivables

Sun Vacation Club	250 308	182 499
Timeshare levies pre-payments	400 000	400 000
	650 308	582 499

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	839	528
Bank balances	3 023 248	857 927
	3 024 087	858 455

10. Provisions

Reconciliation of provisions - 2018

	Opening balance	Utilised during the year	Total
Provision for leave pay	356 966	(57 101)	299 865

Reconciliation of provisions - 2017

	Opening balance	Additions	Total
Provision for leave pay	265 430	91 536	356 966

Leave pay provision is calculated using employee daily rate and multiplying it with days leave owed to employee as at year end date.

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
11. Trade and other payables		
Sun Vacation Club	112 323	1 729 128
SARS - PAYE	53 893	-
Amount due to Eulophia Properties (Pty) Ltd	-	55 000
Accrued admin fees	311 042	276 135
	477 258	2 060 263
12. Revenue		
Membership fees	10 858 105	9 637 181
13. Investment revenue		
Dividend revenue		
Allan Gray - Local	23 457	19 769
Allan Gray - Foreign	3 773	4 446
	27 230	24 215
Interest revenue		
Allan Gray	178 034	179 098
Bank	14 932	4 297
Loan - Eulophia Properties (Pty) Ltd	192 389	458 126
	385 355	641 521
	412 585	665 736
14. Fair value adjustments		
Allan Gray Investment Platform Unit Trust	112 190	74 098
Timeshare investment	9 598 302	3 795 513
	9 710 492	3 869 611
15. Finance costs		
Bank	72	57
16. Auditor's remuneration		
Fees	38 076	32 623

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017
17. Cash generated from operations		
Profit before taxation	14 920 262	8 800 997
Adjustments for:		
Depreciation and amortisation	173 050	176 861
Dividends received	(27 230)	(24 215)
Interest received	(385 355)	(641 521)
Finance costs	72	57
Fair value adjustments	(9 710 492)	(3 869 611)
Movements in provisions	(57 101)	91 536
Changes in working capital:		
Trade and other receivables	(67 809)	(18 833)
Trade and other payables	(1 583 005)	1 666 118
	3 262 392	6 181 389

18. Related parties

Relationships

Administration company to Off Beat Holiday Club

Club Leisure Group

Subsidiaries

Refer to note 4

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

Related party balances

Loan accounts - Owing (to) by related parties

Eulophia Properties (Pty) Ltd	4 673 188	4 780 799
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Related party transactions

Interest paid to (received from) related parties

Eulophia Properties (Pty) Ltd	(192 389)	(458 126)
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Off Beat Holiday Club

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Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand

2018

2017

19. Committee members' emoluments

Non-executive

2018

	Committee fees	Total
G. Pillay	125 659	125 659
T.A. Mashigo	125 659	125 659
W.H. Steyn	152 114	152 114
S.J. Hankins	116 683	116 683
D. Bouver	125 659	125 659
B.H. Matloko	104 716	104 716
	750 490	750 490

2017

	Committee fees	Total
M. Chetty	79 020	79 020
R.B. Brandt	65 277	65 277
G. Pillay	144 297	144 297
T.A. Mashigo	106 076	106 076
W.H. Steyn	130 554	130 554
S.J. Hankins	97 916	97 916
	623 140	623 140

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Financial Statements for the year ended 31 March 2018

Detailed Income Statement

Figures in Rand	Note(s)	2018	2017
Revenue			
Membership fees		10 858 105	9 637 181
Other income			
Discount received		208 000	197 500
Other income		53 979	86 465
Dividends received	13	27 230	24 215
Interest received	13	385 355	641 521
Fair value adjustments	14	9 710 492	3 869 611
		10 385 056	4 819 312
Operating expenses			
AGM expenses		-	(134 080)
Accommodation fees		(183 482)	-
Administration and management fees		(1 859 390)	(1 683 967)
Advertising		(83 300)	(37 700)
Auditors remuneration	16	(38 076)	(32 623)
Bank charges		(18 506)	(21 231)
Committee members' emoluments		(750 490)	(623 140)
Computer expenses		(1 231)	(15 079)
Depreciation, amortisation and impairments		(173 050)	(176 861)
Employee costs		(2 433 588)	(2 127 045)
Entertainment		(66 426)	(69 381)
Financial training		(6 840)	(10 944)
General expenses		(7 329)	(8 410)
Gifts		(25 056)	(24 904)
Honorariums		(37 268)	(123 046)
Insurance		(34 897)	(34 876)
Lease rentals on operating lease		(19 868)	(17 297)
Motor vehicle expenses		(27 379)	(20 428)
Municipal expenses		(164 624)	(150 368)
Postage		(672)	(889)
Printing and stationery		(8 237)	(5 551)
Repairs and maintenance		-	(70 518)
Security		(14 079)	(13 007)
Staff welfare		(25 445)	(15 438)
Subscriptions		(23 709)	(21 590)
Telephone and fax		(93 005)	(83 446)
Travel - local		(88 074)	(100 062)
Travel - overseas		(138 806)	(33 558)
		(6 322 827)	(5 655 439)
Operating profit		14 920 334	8 801 054
Finance costs	15	(72)	(57)
Profit for the year		14 920 262	8 800 997