

THE BODY CORPORATE OF LAKEVIEW

(Scheme Numbers : SS580/2007, SS54/2008 , SS248/2008 , SS608/2009 ,
SS232/2009 , SS483/2009 , SS56 / 2011 , SS30/2012 , SS171 /2011 and SS 55)

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

THE BODY CORPORATE OF LAKEVIEW

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

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APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements for the year ended 30 June 2014 set out on pages 2 to 6 have been approved by the trustees and are signed on their behalf by :

.....
Trustee

11 July 2014

.....
Trustee

SG BROOKES

CA (SA)
CHARTERED ACCOUNTANT

Shop 13 & 14, Sunland
Cordiner Street, Scottburgh, 4180
P O Box 789, Scottburgh, 4180

Tel: (039) 978 3920
Fax: (039) 978 3933
E-mail: sgbrookes@sgbrookes.co.za

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAKEVIEW BODY CORPORATE

We have audited the annual financial statements of Lakeview Body Corporate, which comprise the balance sheet as at 30 June 2014, the income statement, Statement of cash flow, a summary of significant accounting policies and other explanatory notes, as set out on pages 2 to 6.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

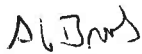
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the Financial position of the Body Corporate as of 30 June 2014, and of its financial performance for the year then ended in accordance with South Africa Statements of Generally Accepted Accounting Practice.



S.G. Brookes
Chartered Accountant (SA)

11 July 2014

**THE BODY CORPORATE OF LAKEVIEW
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014**

INCOME	<u>2014</u>	<u>2013</u>
Levies Received	1 076 549	983 602
Levies : owners	1 070 549	979 602
Special levies : new owners (Note 5)	6 000	4 000
Other Income	163 641	130 203
Interest received : RMB money market account	37 211	19 632
Penalties for late payment : owners	7 450	3 650
Gym fees from non-owners	150	1 700
Central complex costs recovered	-	3 040
Parking bay rentals	34 917	32 702
Insurance claims	50 857	26 800
Rent from hair salon	16 380	15 600
Sale of common property	5 000	5 000
Laundry income	5 469	2 116
Sundry Income	545	-
Entertainment	5 662	-
Water and sanitation,less recoveries from owners	-	19 962
	<u>1 240 190</u>	<u>1 113 805</u>
EXPENDITURE	1 229 493	1 107 313
AGM & meeting costs	2 205	-
Air Conditioner Maintenance	2 750	1 750
Auditors fees	10 089	9 670
Bank charges	5 806	5 680
Consulting Fees re gardens	7 090	-
Cleaning materials and consumables	6 261	6 537
Central Complex Costs	24 214	2 929
Pump house maintenance	4 073	5 539
Depreciation of body corporate moveable assets	24 790	23 055
Fire Equipment Maintenance	14 031	9 688
Lift Maintenance	58 314	18 742
Garden maintenance	282 638	309 011
General expenses	1 015	5 236
Insurance	98 656	81 709
Financial administration fees	68 508	62 280
Survey Costs	19 637	-
Postage , stationery and computer costs	10 957	5 604
Repairs & Maintenance (note 7)	115 121	113 316
Salaries and wages	194 922	181 792
Security	251 303	241 968
Electricity , less recoveries from owners	32	948
Water and sanitation,less recoveries from owners	193	-
Staff welfare and uniforms	2 122	2 723
Swimming pool maintenance and consumables	8 897	6 632
Telephone & cellphone	14 170	10 258
Travelling expenses	799	1 850
Workman's Compensation premiums	900	396
Surplus for the year before transfers	<u>10 697</u>	<u>6 492</u>
Funds transferred from levy stabilization fund	180 000	86 400
SURPLUS TRANSFERRED TO GENERAL LEVY FUND	<u>190 697</u>	<u>92 892</u>

THE BODY CORPORATE OF LAKEVIEW
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

		2014	2013
ASSETS		R	R
Non current assets	(Note 2)	127 455	124 364
Computer equipment		2	1 989
Furniture & fittings		39 974	41 781
Other fixed assets		7 572	3 612
Water and electricity deposits		79 907	76 982
Current Assets		1 049 584	739 166
Standard bank current account		116 134	93 876
Rand Merchant Bank : Money Market account		830 352	491 293
Cash on hand		757	100
Accounts receivable	(Note 3)	98 981	150 537
Post box key deposits, less charged to owners		3 360	3 360
		1 177 039	863 530
FUNDS AND LIABILITIES			
General Levy Fund		391 038	200 341
Accumulated funds at beginning of year		200 341	107 449
Levy Fund surplus for the year		190 697	92 892
Levy Stabilization Fund		595 267	470 496
Balance at beginning of year		470 496	233 858
Amounts received towards levy stabilization fund (Note 6)		304 771	323 038
		775 267	556 896
Less funds transferred to levy income		(180 000)	(86 400)
		595 267	470 496
Current Liabilities		190 734	192 693
Accounts payable	(Note 4)	46 607	100 241
Levies paid in advance		142 827	91 152
Deposits held for tenants		1 300	1 300
		1 177 039	863 530

THE BODY CORPORATE OF LAKEVIEW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 Accounting Policies

1.1 The annual financial statements have been prepared on the historical cost basis.

1.2 Taxation

The income of Body Corporates is exempt from tax except for investment income in excess of R 50 000 p.a.

2 Non- Current Assets

	Cost	Accumulated Depreciation	Net Book Value	
			2014	2013
	R	R	R	R
Computer equipment	12 598	12 596	2	1 989
Furniture and fittings	125 536	85 562	39 974	41 781
Other fixed assets	18 344	10 772	7 572	3 612
	<u>156 478</u>	<u>108 930</u>	<u>47 548</u>	<u>47 382</u>
Water and electricity deposits	<u>79 907</u>	-	<u>79 907</u>	<u>76 982</u>
	<u>236 385</u>	<u>108 930</u>	<u>127 455</u>	<u>124 364</u>

3 Accounts Receivable

	2014	2013
	R	R
Levy accounts owing by owners	24 684	24 220
Recoveries due from owners :-	62 697	126 317
Electricity monthly recovery	40 624	85 438
Water and sanitation monthly recovery	16 991	38 291
DSTV recoveries	2 578	1 552
Cash deposit fees re-charged to owners	319	286
Laundry income not yet deposited	1 615	-
Telephone installations	570	750
Insurance claim refund for new gate	11 600	-
	<u>98 981</u>	<u>150 537</u>

4 Accounts Payable

	2014	2013
	R	R
Eskom : electricity	-	49 227
Ugu : water	-	18 740
Paye & Uif	2 091	897
Audit fee	9 576	8 778
Sundry creditors	31 080	19 990
Insurance excess on new gate	1 250	-
Entertainment committee fund	2 610	2 610
	<u>46 607</u>	<u>100 242</u>

5 Special Levies : new owners	<u>2014</u>	<u>2013</u>
	R	R
New owners were charged a once-off special levy of R 500 on taking transfer . The policy has been dis-continued .	6 000	4 000
	<u>6 000</u>	<u>4 000</u>

6 Amounts received towards levy stabilization fund

In terms of each owners sale agreement, each owner is obliged to pay 5% of their original purchase price to the levy stabilisation fund when they sell their unit.

Units sold during the year

Unit 82	61 508
Unit 24	26 253
Unit 49	59 250
Unit 14	39 275
Unit 2	32 516
Unit 60	49 714
Unit 12	36 255
	<u>R 304 771</u>

7 Repairs and Maintenance	<u>2014</u>	<u>2013</u>
	R	R
General hardware and maintenance	48 927	61 997
Plumbing repairs	6 999	16 402
Telephone line repairs	5 568	6 478
Electrical repairs	13 009	8 904
Security	1 824	6 665
Fencing	38 794	11 532
Emergency Lighting Battery	-	648
Emergency Switchboard Battery	-	690
	<u>115 121</u>	<u>113 316</u>

THE BODY CORPORATE OF LAKEVIEW
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	R
Cash and cash equivalents at beginning of year	<u>585 269</u>
<u>Cash Inflows :</u>	
Cash inflow from levies and other income for the year	1 340 496
Contributions to levy stabilisation fund	304 771
	<u>1 645 267</u>
<u>Cash Outflows:</u>	
Cash outflow on operating expenditure for the year	1 258 338
Cabinets ,projector and pressure cleaner purchased	24 955
	<u>1 283 293</u>
Cash and cash equivalents at end of year	<u>947 243</u>