

Hermanus Ratepayers Association

(Association Not For Gain)

Annual Financial Statements

for the year ended 31 December 2025

Hermanus Ratepayers Association

(Association Not For Gain)

Annual Financial Statements for the year ended 31 December 2025

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Annual Financial Statements for the year ended 31 December 2025

General Information

Country of Incorporation and Domicile	South Africa
Nature of Entity	Association Not For Gain
PBO Number	930054881
Nature of Business and Principal Activities	The nonprofit organisation is a community-based, registered Public Benefit Organisation that was set up in the 1960s to help preserve the character and natural beauty of Hermanus in a sustainable manner.
Executive Committee	Kenneth Briggs (Chairperson & Local Economic Development) Russel Schierhout (Administration & Communications) Deon de Kock (Safety & Security) Tobie Louw (Infrastructure Services & Conservation and Environment) Ian Paterson (Heritage)
Registered Office	1 Smuts Avenue Westcliff Hermanus South Africa 7200
Bankers	Nedbank
Reference Numbers	
Tax number	9144993228
Level of Assurance	These financial statements have been compiled in compliance with the applicable requirements of the constitution.
Level of Assurance	These financial statements have been compiled in compliance with the applicable requirements of the International Standard on Related Services 4410: Engagements to Compile Financial Statements.
Chartered Accountants CA (SA)	Cypress Consulting

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Executive Committee's Responsibilities and Approval

The executive committee is required by the constitution to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is its responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the nonprofit organisation, and explain the transactions and financial position of the business of the nonprofit organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the nonprofit organisation and supported by reasonable and prudent judgements and estimates.

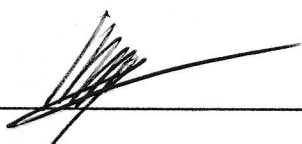
The executive committee acknowledges that it is ultimately responsible for the system of internal financial control established by the nonprofit organisation and places considerable importance on maintaining a strong control environment. To enable the executive committee to meet these responsibilities, the executive committee 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 nonprofit organisation and all office bearers are required to maintain the highest ethical standards in ensuring the nonprofit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the nonprofit organisation is on identifying, assessing, managing and monitoring all known forms of risk across the nonprofit organisation. While operating risk cannot be fully eliminated, the nonprofit organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

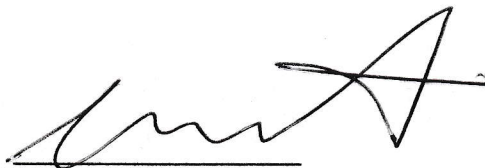
The executive committee is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the executive committee has no reason to believe that the nonprofit organisation will not be a going concern in the foreseeable future. The annual financial statements support the viability of the nonprofit organisation.

The compilers are responsible for reporting on the nonprofit organisation's annual financial statements. The compilation report is presented on page 4.

The annual financial statements set out on pages 6 to 13, and the supplementary information set out on page 14 which have been prepared on the going concern basis, were approved by the executive committee and were signed on 27 March 2026 on its behalf by:



Kenneth Briggs (Chairperson & Local Economic Development)



Russel Schierhout (Administration & Communications)



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Report of the Compiler

To the Executive Committee of Hermanus Ratepayers Association

We have compiled the accompanying annual financial statements of Hermanus Ratepayers Association based on information you have provided. These annual financial statements comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the constitution. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the basis of accounting described in note 2 to the financial statements.

Cypress Consulting

27 March 2026

A handwritten signature in black ink, appearing to read "J. Roux".

Per: Jacobus Roux
Chartered Accountant CA (SA)

The Chartered Accountant (South Africa) Declaration

The following annual financial statements of Hermanus Ratepayers Association presented on pages 6 to 13 have been independently compiled by a Chartered Accountant (South Africa) (CA(SA)). Refer to compilation report on page 4.

Use of the CA(SA) designation is governed by the Chartered Accountants Designation (Private) Act, 1993 (Act 67 of 1993), which regulates and permits the use of the CA(SA) designation exclusively by members of The South African Institute of Chartered Accountants (SAICA). Use of the designation without SAICA membership is consequently a criminal offence, and misuse is subject to legal action.

SAICA is the premier accountancy body in South Africa and one of the leading chartered accountancy institutes in the world and all members must comply with the Code of Professional Conduct which conforms to the code released by the International Ethics Standards Board for Accountants (IESBA). The SAICA code and definitions contained therein are consistent in all material aspects with the International Federation of Accountants' (IFAC) code as well as the Independent Regulatory Board for Auditors (IRBA) code.

The following fundamental principles are embodied in the SAICA Code of Professional Conduct and are to be upheld by all CAs(SA) at all times.

- Integrity – a duty to be straightforward and honest in all professional and business relationships.
- Objectivity – a duty to not allow bias, conflict of interest or undue influence of others to override professional or business judgements.
- Professional competence and due care – a duty to maintain professional knowledge and skill at the level required to ensure that a client receives competent professional services based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.
- Confidentiality – a duty to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the chartered accountant or third parties.
- Professional behaviour – a duty to comply with relevant laws and regulations and avoid any action that discredits the accountancy profession.

A distinguishing characteristic of CAs(SA) are their responsibilities and duties which extend beyond the needs of individual clients and also includes the public as a whole.

Accordingly, this declaration serves to confirm that the above mentioned annual financial statements have been prepared by a CA(SA) who has observed and complied with the SAICA Code.

Cypress Consulting

27 March 2026



Per: Jacobus Roux
Chartered Accountant CA (SA)

Hermanus Ratepayers Association

(Association Not For Gain)

Annual Financial Statements for the year ended 31 December 2025

Statement of Financial Position

Figures in R

	Notes	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	3	<u>1</u>	<u>1,137</u>
Current assets			
Cash and cash equivalents	4	<u>84,946</u>	<u>111,818</u>
Total assets		<u>84,947</u>	<u>112,955</u>
Equity and liabilities			
Equity			
Accumulated surplus		<u>84,947</u>	<u>102,858</u>
Liabilities			
Current liabilities			
Trade and other payables	5	<u>-</u>	<u>10,097</u>
Total equity and liabilities		<u>84,947</u>	<u>112,955</u>

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Annual Financial Statements for the year ended 31 December 2025

Statement of Comprehensive Income

Figures in R	2025	2024
Income	22,944	40,158
Employee benefits expense	-	(5,764)
Depreciation and amortisation	(1,136)	(6,498)
Other expenses	(45,860)	(49,305)
Deficit from operating activities	(24,052)	(21,409)
Finance income	6,141	7,932
Deficit for the year	(17,911)	(13,477)

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Annual Financial Statements for the year ended 31 December 2025

Statement of Changes in Equity

Figures in R	Accumulated surplus
Balance at 1 January 2024	116,335
Changes in equity	
Deficit for the year	(13,477)
Total comprehensive income for the year	(13,477)
Balance at 31 December 2024	102,858
Balance at 1 January 2025	102,858
Changes in equity	
Deficit for the year	(17,911)
Total comprehensive income for the year	(17,911)
Balance at 31 December 2025	84,947

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Annual Financial Statements for the year ended 31 December 2025

Statement of Cash Flows

Figures in R

Note 2025 2024

Cash flows used in operations

Deficit for the year (17,911) (13,477)

Adjustments to reconcile deficit

Adjustments for finance income (6,141) (7,932)

Adjustments for (decrease) / increase in other operating payables (10,097) 10,097

Adjustments for depreciation and amortisation expense 1,136 6,499

Total adjustments to reconcile deficit (15,102) 8,664

Net cash flows used in operations (33,013) (4,813)

Interest received 6,141 7,932

Net cash flows (used in) / from operating activities (26,872) 3,119

Net (decrease) / increase in cash and cash equivalents (26,872) 3,119

Cash and cash equivalents at beginning of the year 111,818 108,699

Cash and cash equivalents at end of the year 4 84,946 111,818

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Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

1. General information

Hermanus Ratepayers Association ('the nonprofit organisation') is a community-based, registered Public Benefit Organisation that was set up in the 1960s to help preserve the character and natural beauty of Hermanus in a sustainable manner.

The nonprofit organisation is incorporated as a nonprofit organisation and domiciled in South Africa. The address of its registered office is 1 Smuts Avenue, Westcliff, Hermanus, South Africa, 7200.

2. Basis of preparation and summary of significant accounting policies

The annual financial statements of Hermanus Ratepayers Association have been prepared in accordance with the basis of accounting set out below and the constitution. The annual financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the basis of accounting described below requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the nonprofit organisation's accounting policies.

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

2.1 Property, plant and equipment

Property plant and equipment at cost

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the executive committee.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life
IT equipment	3 years

2.2 Financial instruments

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

2.3 Tax

The association has been approved as an income exempt organisation in terms of the Income Tax Act, No.58 of 1962, as amended. No taxation as the company is exempt from taxation in terms of section 10(1)(cN) of the Income Tax Act of South Africa.

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Annual Financial Statements for the year ended 31 December 2025

Accounting Policies

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

2.4 Income

Income is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Subscription income

Subscription income is recognised when the income can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the association.

Donations received

Donations are accounted for on a cash received basis and where donations have been received in kind at the fair value.

Interest income

Interest income is recognised using the effective interest method.

2.5 Employee benefits

Short-term employee benefits

Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

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Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in R

2025

2024

3. Property, plant and equipment

Balances at year end and movements for the year

	<u>IT equipment</u>	<u>Total</u>
Reconciliation for the year ended 31 December 2025		
Balance at 1 January 2025		
At cost	19,494	19,494
Accumulated depreciation	(18,357)	(18,357)
Carrying amount	1,137	1,137
Movements for the year ended 31 December 2025		
Depreciation	(1,136)	(1,136)
Property, plant and equipment at the end of the year	1	1
Closing balance at 31 December 2025		
At cost	19,494	19,494
Accumulated depreciation	(19,493)	(19,493)
Carrying amount	1	1
Reconciliation for the year ended 31 December 2024		
Balance at 1 January 2024		
At cost	19,494	19,494
Accumulated depreciation	(11,859)	(11,859)
Carrying amount	7,635	7,635
Movements for the year ended 31 December 2024		
Depreciation	(6,498)	(6,498)
Property, plant and equipment at the end of the year	1,137	1,137
Closing balance at 31 December 2024		
At cost	19,494	19,494
Accumulated depreciation	(18,357)	(18,357)
Carrying amount	1,137	1,137

4. Cash and cash equivalents

4.1 Cash and cash equivalents included in current assets:

Cash

Balances with banks	84,946	111,818
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4.2 Net cash and cash equivalents

Current assets	84,946	111,818
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Annual Financial Statements for the year ended 31 December 2025

Notes to the Annual Financial Statements

Figures in R

2025

2024

Cash and cash equivalents continued...

4.3 Detail of cash and cash equivalent balances

Bank balances

Call account	73,363	92,517
Current account	539	19,301
Payfast wallet	11,044	-
Total	84,946	111,818

5. Trade and other payables

Trade and other payables comprise:

Other payables	-	10,097
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Detailed Income Statement

Figures in R

	2025	2024
Income		
Subscriptions	22,944	40,158
Employee benefits expense		
Employee costs - wages	-	(5,764)
Depreciation and amortisation		
Depreciation - property, plant and equip.	(1,136)	(6,498)
Expenditure		
Accounting fees	(5,550)	(6,550)
Bank charges	(1,850)	(1,221)
Donations	(25,000)	(6,225)
Internet service	(1,898)	(925)
Newsletter and postage	-	(42)
Printing and stationery	(967)	(6,005)
Refreshment	(2,209)	(7,328)
Subscriptions	(3,401)	(4,612)
Web meetings platform	(4,985)	(6,300)
Workshops	-	(10,097)
	(45,860)	(49,305)
Deficit from operating activities	(24,052)	(21,409)
Other income		
Interest received	6,141	7,932
Deficit for the year	(17,911)	(13,477)