The Hamerkop Mountain Trust

(Registration number 1216/87)

Annual Financial Statements
for the year ended 30 June 2024

Candice Carson
B Compt, AGA (SA)

These annual financial statements have been independently reviewed in accordance with the International Standard on Review Engagements 2400 (Revised)

Issued 26 September 2024

The Hamerkop Mountain Trust

(Registration number: 1216/87)
Annual Financial Statements for the year ended 30 June 2024

General Information

Country of incorporation and domicile	South Africa
Type of trust	Non-profit property owning
Trustees	J Ball (Chairman) MAL Owen-Smith SM Spottiswoode M Epstein KR Kendall
Registered office	53 Gleneagles Road Greenside Johannesburg 2193
Postal address	53 Gleneagles Road Greenside Johannesburg 2193
Bankers	Nedbank Ltd
Reviewer	Candice Carson B Compt, AGA (SA)
Trust registration number	1216/87
Tax reference number	2257054847
Level of assurance	These annual financial statements have been independently reviewed in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.

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Contents

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

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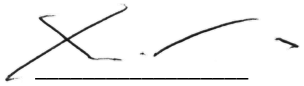


Preparer - AF Dalais

Trustees' Responsibilities and Approval

The trustees are required 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 trust 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 and the requirements of the Trust Property Control Act 57 of 1988.

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 judgments and estimates.

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

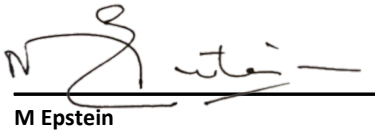
The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The trustees have reviewed the trust's budget forecast and levy schedule for the year to 30 June 2025 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external reviewer is responsible for independently reviewing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external reviewer and their report is presented on page 4.

The annual financial statements set out on pages 5 to 11, which have been prepared on the going concern basis, were approved by the trustees on 26 September 2024 and were signed on their behalf by:

Approval of annual financial statements



M Epstein

MAL Owen-Smith

Johannesburg

Thursday, 26 September 2024

Candice Carson t/a

CR Accounting

SAICA number: 20018211

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Independent Reviewer's Report

To the Trustees of The Hamerkop Mountain Trust

I have reviewed the annual financial statements of The Hamerkop Mountain Trust, set out on pages 5 to 11, which comprise the statement of financial position as at 30 June 2024 and the detailed statement of income and retained surplus, and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

Trustees' Responsibility for the Annual Financial Statements

The trustees are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Trust Property Control Act 57 of 1988, and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

My responsibility is to express a conclusion on these annual financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires me to conclude whether anything has come to my attention that causes me to believe that the annual financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires me to comply with relevant ethical requirements.

A review of annual financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these annual financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that these annual financial statements do not present fairly, in all material respects the financial position of The Hamerkop Mountain Trust as at 30 June 2024, 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 Trust Property Control Act 57 of 1988.

Candice Carson
B Compt, AGA (SA)

26 September 2024

The Hamerkop Mountain Trust

(Registration number: 1216/87)
Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

	Note(s)	2024 R	2023 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	197 104	197 104
Current Assets			
Sundry receivables	3	4 243	55 791
Cash and cash equivalents	4	196 335	121 128
		200 578	**176 919**
Total Assets		**397 682**	**374 023**
Trust Funds and Liabilities			
Trust Funds			
Trust capital	5	130 318	130 318
Accumulated surplus		249 421	234 416
		379 739	**364 734**
Liabilities			
Current Liabilities			
Sundry payables	6	13 053	7 341
Current tax payable		4 890	1 948
		17 943	**9 289**
Total Trust Funds and Liabilities		**397 682**	**374 023**

The Hamerkop Mountain Trust

(Registration number: 1216/87)
Annual Financial Statements for the year ended 30 June 2024

Detailed Statement of Income and Retained Surplus

	Note(s)	2024 R	2023 R
Revenue			
Annual levy income		255 730	201 721
Other income			
Donation - sale of old stove		-	500
Operating expenses			
Bank charges		382	376
Cleaning		1 870	4 146
Electricity		64 870	56 212
Employee costs - salaries and bonus		110 694	104 254
Employee costs - airtime		4 800	2 800
Employee costs - medical expenses		1 101	-
Insurance		8 823	6 839
Maintenance		36 201	4 729
Occupancy administration		3 540	780
Radio licence fees		840	3 570
Reviewer's remuneration		5 200	5 200
Security		4 800	4 400
Small assets purchased		3 072	5 499
Subscriptions		500	300
		246 693	**199 105**
Operating surplus		**9 037**	**3 116**
Investment income - bank interest		10 868	6 529
Interest paid to SARS		(10)	(51)
		10 858	**6 478**
Surplus before taxation		**19 895**	**9 594**
Taxation	7	(4 890)	(2 938)
Surplus for the year		**15 005**	**6 656**
Opening balance		234 416	227 760
Accumulated surplus at the end of the year		**249 421**	**234 416**

Statement of Cash Flows

	Note(s)	2024 R	2023 R
Cash flows from operating activities			
Cash generated from (used in) operations	8	66 297	(30 794)
Interest income		10 868	6 529
Interest paid to SARS		(10)	(51)
Tax paid	9	(1 948)	(1 525)
Net cash from operating activities		**75 207**	**(25 841)**
Total cash movement for the year		**75 207**	**(25 841)**
Cash and cash equivalents at the beginning of the year		121 128	146 969
Total cash at end of the year	4	**196 335**	**121 128**

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. 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 trust 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 trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit 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 trust.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land and buildings	Not depreciated	Indefinite
Furniture and fixtures	Straight line	6 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.

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 surplus or deficit 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 surplus or deficit when the item is derecognised.

1.2 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 surplus or deficit) 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.

Accounting Policies

1.2 Financial instruments (continued)

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They 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 surplus or deficit.

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 surplus or deficit.

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.

1.3 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.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Revenue

Revenue comprises annual levies recognised at the fair value of the consideration receivable.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Notes to the Annual Financial Statements

	2024 R	2023 R

2. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Land and buildings	197 104	-	197 104	197 104	-	197 104
Furniture and fixtures	40 797	(40 797)	-	40 797	(40 797)	-
Total	**237 901**	**(40 797)**	**197 104**	**237 901**	**(40 797)**	**197 104**

Details of land and buildings

Portion 115 of Farm Kromrivier, No 347 JQ, District Rustenburg with buildings thereon

- Purchase price : August 1987	147 927	147 927
- Improvements - outbuildings	49 177	49 177
	197 104	**197 104**

3. Sundry receivables

Unpaid levies	-	53 880
Deposit - electricity	2 043	1 911
Staff loan	2 200	-
	4 243	**55 791**

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	133 479	62 957
Short-term deposits	62 856	58 171
	196 335	**121 128**

5. Trust capital

Founder's donation

Donation made by the founder on formation of the trust in 1987	100	100

Capital contributions received from initial beneficiaries

Balance at beginning and end of year	130 218	130 218
	130 318	**130 318**

6. Sundry payables

Accrued expenses	13 053	1
Levies received in advance	-	7 340
	13 053	**7 341**

Notes to the Annual Financial Statements

	2024 R	2023 R
7. Taxation		
Major components of the tax expense		
Current taxation		
South African normal tax - year	4 890	2 938
Reconciliation of the tax expense		
Accounting surplus	19 895	9 594
Tax at the applicable tax rate of 45% (2023 : 45%)	8 953	4 317
Tax effect of adjustments on taxable income		
Exempt income and non-deductible expenses		
Exempt income - annual levies and other income	(115 079)	(90 999)
Non-deductible expenses incurred in production of exempt income	111 012	89 597
SARS interest expense not deductible	4	23
	4 890	**2 938**
8. Cash generated from (used in) operations		
Net surplus before taxation	19 895	9 594
Investment income	(10 868)	(6 529)
Finance costs	10	51
Changes in working capital:		
(Increase) decrease in sundry receivables	51 548	(9 145)
Increase (decrease) in sundry payables	5 712	(24 765)
	66 297	**(30 794)**
9. Tax paid		
Balance at beginning of the year	(1 948)	(535)
Current tax for the year recognised in surplus	(4 890)	(2 938)
Balance at end of the year	4 890	1 948
	(1 948)	**(1 525)**