

**MALAGAS RESIDENTS ASSOCIATION**

**REPORT AND NOTES FOR MEMBERS ON THE ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2023.**

**1 ANNUAL FINANCIAL STATEMENTS**

THE FINANCIAL STATEMENTS ARE PREPARED BY THE TREASURER AT 21 DECEMBER 2023, PROJECTED TO YEAR END.  
ALL PAYMENTS DUE FOR THE YEAR HAVE BEEN PAID OR ACCRUED. ANY SUBSCRIPTIONS RECEIVED BEFORE 31 DECEMBER 2023 WOULD BE RECEIVED IN ADVANCE AND BE REFLECTED AS INCOME FOR 2024.  
THE FINANCIAL STATEMENTS ARE PRODUCED ON A SIMILAR BASIS TO PREVIOUS PERIODS.

**2 THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR:**

RECORD KEEPING, COLLECTION OF INCOME, PAYMENT OF EXPENSES, THE MANAGEMENT OF CURRENT AND CONTINGENT LIABILITIES AND OF RISKS, THE SAFEGUARDING OF ASSETS, CORPORATE GOVERNANCE AND THE PREPARATION, INTEGRITY AND PRESENTATION OF THE FINANCIAL STATEMENTS.

THE CURRENT COMMITTEE HAS BEEN IN OFFICE FROM 12 SEPTEMBER 2023, AND HAS NO DIRECT RESPONSIBILITY FOR ACTIVITIES PRIOR TO TAKING OFFICE.

THERE HAS BEEN A REVIEW OF PRIOR ACTIVITIES, WHICH HIGHLIGHTED POTENTIALLY FRAUDULENT ITEMS TOTTALLING R35 724 INCURRED IN 2022 AND 2023. CLAIMS OF R35 724 WERE RECOVERED IN DECEMBER 2023

**3 INCOME DISCLAIMER**

AS WITH SIMILAR ORGANISATIONS, IT IS NOT POSSIBLE TO INSTITUTE INDEPENDENT ACCOUNTING CONTROL OVER RECEIPTS AND EXPENDITURE PRIOR TO ENTRY INTO THE ACCOUNTING RECORDS.

**4 MEMBERSHIP**

PAYMENTS IN ADVANCE ARE DEFERRED TO THE SUBSEQUENT PERIOD THEY RELATE TO.

SUBSCRIPTIONS IN ARREARS ARE NOT ACCRUED

**5 SECURITY AND COMMUNICATIONS**

THIS INCLUDES CAMERAS, RADIOS AND PREVIOUSLY THE AREA 1 GATE NOW MAINTAINED BY AREA 1

**6 DISASTER MANAGEMENT**

THE DISASTER PLANNING FUNCTION HAS BEEN WELL MANAGED AND IS CONTINUALLY IMPROVING.

THE MAIN FUNDING REQUIREMENT HAS BEEN FOR FIRE PROTECTION ASSETS AND MAINTENANCE.

THE FIRE FUND RAISED DONATIONS FROM MEMBERS AND OTHERS WHICH HAS PROVIDED THE ADDITIONAL RESOURCES NEEDED FOR EQUIPMENT AND MAINTENANCE. 2023 FUNDING WAS PROVIDED FOR:

TWO FIRE FIGHTING SKIDS ACQUIRED IN 2023 FOR R56 389,

MAINTENANCE AND MODIFICATIONS COSTING R7 805 WERE UNDERTAKEN.

THE EXISTING TWO FIRE FIGHTING SKID TRAILER UNITS ARE LICENCED IN THE NAME OF A DECEASED COMMITTEE MEMBER, DUE TO MUNICIPAL REGULATION COMPLICATIONS. AN EXPERT IS REVIEWING HOW TO REGULARISE IN A COST EFFECTIVE MANNER.

SWELLEN DAM MUNICIPALITY HAS PROVIDED TWO FIRE FIGHTING SKIDS FOR USE IN THE AREA, ON A NO PAYMENT LEASE BASIS.

THERE ARE 8 FIRE FIGHTING SKIDS IN THE POSSESSION OF THE MRA, FOR USE IN THE AREA.

**7 AMORTISATION**

FIXED ASSETS ARE AMORTISED TO R1 PER UNIT, IN TERMS OF POLICY SET BY THE COMMITTEE.

THE FIXED ASSETS HAVE BEEN FINANCED FROM ACCUMULATED RESERVES AND FUNDS RAISED THROUGH THE FIRE FUND.

ASSETS ARE REVIEWED AND WHEN NO LONGER FIT FOR PURPOSE, ARE FULLY WRITTEN OUT OF THE MRA RECORDS.

**8 DEDICATED FUNDS**

**1 MRA FIRE FUND**

FUNDS HAVE BEEN DONATED BY MEMBERS AND OTHERS FOR THE MRA TO USE TO SUPPORT DISASTER PLANNING.

FUNDS HAVE BEEN USED TO PURCHASE AND MAINTAIN FIRE PROTECTION ASSETS.

**2 NUWEDORP FUND**

THE FUNDS HAVE ACCUMULATED FROM THE COVID 19 DRIVE, FOR POTENTIAL RELOCATION AND AS A GENERAL DONATION.

THE COMMITTEE WILL BE REVIEWING HOW THESE FUNDS HELD IN TRUST CAN BE USED FOR THEIR PURPOSE.

**3 AREA 1 FUND -SCHEDULE ATTACHED**

FUNDS HAVE BEEN COLLECTED AND UTILIZED FOR IMPROVING THE AREA 1 ROADS AND RELATED ACTIVITIES.

DURING 2024, AREA 1 WILL BE OPENING A BANKING ACCOUNT TO INDEPENDENTLY MANAGE THEIR AFFAIRS.

**4 JONATHAN FUND -SCHEDULE ATTACHED**

FUNDS HAVE BEEN COLLECTED AND HELD IN TRUST FOR AID TOWARDS THE FIRE VICTIMS AND THE SURVIVOR, JONATHAN PHILLIPS

A SOCIAL WORKER STATIONED IN SWELLEN DAM, IS TO ADVISE ON HOW TO PUT THESE FUNDS TO GOOD USE.

**9 MRA FUNDS**

**CURRENT BANKING ACCOUNT**

THE CASH SHOWN AS THE CURRENT ACCOUNT FOR THE MRA , EXCLUDES CASH RECEIVED FOR THE SPECIAL FUNDS.

STANDARD BANK MONEY MARKET FUND

THE FUND CONTINUES TO PROVIDE A MARKET RELATED INTEREST RATE.

**10 SURPLUS FOR 2023**

THE 2023 SURPLUS OF R12 414 IS MAINLY FROM CLAIM EXPENSE RECOVERIES OF R12 750 FOR EXPENSES INCURRED IN 2022. INTEREST AND MEMBERSHIP SUBSCRIPTIONS RECEIVED, COVERED ADMINISTRATION EXPENSES.

**11 GOING CONCERN**

THE COMMITTEE THROUGH THE ESTABLISHMENT OF THE FIRE FUND HAS CREATED A CHANNEL FOR FUNDING DISASTER MANAGEMENT ASSETS AND MAINTENANCE. THE FIRE FUND SCOPE MAY NEED TO BE WIDENED TO COVER FUNDING SECURITY AND COMMUNICATION EXPENDITURE. FROM TIME TO TIME FURTHER REQUESTS WILL BE MADE FOR INCREASED FUNDING OF THE FIRE FUND, FOR PROPOSED ADDITIONAL EXPENDITURE.

THE COMMITTEE'S PROPOSED PLAN IS TO SET UP A SEPARATE NPO/PBO TO TAKE OVER THE FULL DISASTER MANAGEMENT FUNCTION, INCLUDING FIRE, SECURITY AND COMMUNICATIONS, ITS FUNDING AND MEMBERS. THE SAME MRA AND DISASTER PLANNING TEAM WILL DRIVE THE NEW ENTITY AND THUS GET IT FULLY FUNCTIONAL.

THE RATEPAYER ACTIVITIES WILL AGAIN BE THE MAIN FOCUS OF THE MRA WITH ITS OWN FUNDING. NOTING THE PLAN ABOVE.

THE MRA HAS THE FUNDS AND MEMBERS TO MAINTAIN A SURPLUS OF ADMINISTRATIVE INCOME OVER ADMINISTRATIVE EXPENSES.

THE ANNUAL FINANCIAL STATEMENTS, BEING THE ABOVE NOTES AND REPORT, AND THE ATTACHED BALANCE SHEET

AND INCOME STATEMENT FOR THE TWELVE MONTHS TO AND AS AT 31 DECEMBER 2023, AS PAGES 1 TO 3, HAVE BEEN

PREPARED BY THE TREASURER FOR THE MEMBERS OF THE MALAGAS RESIDENTS ASSOCIATION FROM

THE RECORDS OF THE ASSOCIATION. A H DAVISON CA (SA) HAS INSPECTED AND EVALUATED BUT NOT AUDITED

THE BOOKS AND RECORDS AND THE ANNUAL FINANCIAL STATEMENTS, AND FOUND THEM IN ORDER.

THE ANNUAL FINANCIAL STATEMENTS HAVE BEEN APPROVED ON 21 DECEMBER BY:

AH DAVISON CA (SA) - VICE CHAIRMAN

MONIQUE MULDER - TREASURER AND CHAIRPERSON

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MALAGAS RESIDENTS ASSOCIATION

INCOME STATEMENT FOR 12 MONTHS  
TO 31 DECEMBER 2023

12 MONTHS TO  
31 DECEMBER 2023

12 MONTHS TO  
31 DECEMBER 2022

	12 MONTHS TO 31 DECEMBER 2023		12 MONTHS TO 31 DECEMBER 2022	
	R	R	R	R
<b>3 INCOME</b>		<b>26 402</b>		<b>27 827</b>
INTEREST RECEIVED-BANK	347		288	
INTEREST RECEIVED-MONEY MARKET	7 296		4 189	
<b>4 SUBSCRIPTIONS - ANNUAL</b>	<b>18 760</b>		<b>23 350</b>	
<b>EXPENDITURE</b>		<b>14 179</b>		<b>33 545</b>
<b>ADMINISTRATION</b>	<b>2 586</b>		<b>23 435</b>	
<b>7 AMORTISATION-PRINTER AND LOUD HAILER</b>	<b>2</b>			
ANNUAL AGM COSTS	6 304		3 062	
BANK CHARGES	109		17	
CONSULTANCY FEES	-10 125		13 189	
E MAIL SERVER HOSTING	1 380		1 909	
MUNICIPALITY LIASON	0		167	
LEGAL FEES	4 957		0	
STATIONERY AND PRINTER	-2 625		3 015	
SUBSCRIPTIONS	2 584		2 076	
<b>5 SECURITY AND COMMUNICATIONS</b>	<b>11 593</b>		<b>8 775</b>	
<b>7 AMORTISATION</b>	<b>1</b>		<b>0</b>	
SURVEILLANCE CAMERAS AND EQUIPMENT	1		0	
<b>EXPENSES</b>	<b>11 592</b>		<b>8 775</b>	
SECURITY- MONTHLY NETWORK CHARGE	0		0	
SECURITY RADIO MAINTENANCE & CONSUMABLES	2 530		0	
SECURITY RADIO NETWORK	9 062		8 775	
FIRE FUND FUNDING	0		0	
<b>6 DISASTER MANAGEMENT</b>	<b>0</b>		<b>1 335</b>	
<b>7 AMORTISATION</b>	<b>56 389</b>		<b>0</b>	
FIREFIGHTING EQUIPMENT	56 389			
FIREFIGHTING OTHER ASSETS				
<b>EXPENSES</b>	<b>7 605</b>		<b>1 335</b>	
FIREFIGHTING -EQUIPMENT MAINTENANCE	7 605		1 335	
FIREFIGHTING CONSUMABLES	0		0	
FIREFIGHTING SERVICES-LICENCE AND RE LICENCE	0		0	
<b>8 FIRE FUND CONTRIBUTION OF FUNDING</b>	<b>63 994</b>		<b>0</b>	
<b>10 &amp; 11 SURPLUS (LOSS) FOR THE PERIOD</b>		<b>12 224</b>		<b>-5 717</b>
ACCUMULATED RESERVES - OPENING		<b>91 861</b>		<b>97 578</b>
ACCUMULATED RESERVES - CLOSING		<b>R 104 084</b>		<b>R 91 861</b>

MALAGAS RESIDENTS ASSOCIATION  
BALANCE SHEET AT 31 DECEMBER 2023

	2023		2022	
	R	R	R	R
<b>11 ASSOCIATION FUNDS</b>		104 084	91 861	91 861
ACCUMULATED RESERVES				
<b>8 DEDICATED FUNDS</b>		76 790	77 447	77 447
<b>8 NUWEDORP COVID-19 AND RELOCATION</b>		8 131	8 131	
COVID 19- DONATIONS		77 210	77 210	
COVID 19 -EXPENSES		72 829	72 829	
COVID-19 - NET		4 381	4 381	
<b>8 NUWEDORP - RELOCATION EXPENSE DONATION</b>		3 750	3 750	
<b>8 AREA 1 FUND NET</b>		25 403	21 966	
AREA 1- DONATIONS		89 100	58 250	
AREA 1 -EXPENSES		63 697	36 284	
<b>6,6 &amp; 8 MRA FIRE FUND NET- DISASTER RECOVERY EQUIPMENT</b>		16 256	47 350	
FIRE FUND - DONATIONS FOR EXPENDITURE		80 250	0	
FIRE FUND - CONTRIBUTIONS TO EXPENDITURE		63 994	0	
<b>JONATHAN FUND NET</b>		27 000	0	
JONATHAN PHILLIPS FUND - DONATIONS		27 000	0	
JONATHAN PHILLIPS FUND - EXPENSES		0	0	
<b>4 MEMBERSHIP SUBSCRIPTIONS</b>		13 250	7 200	7 200
IN ADVANCE FOR 2024				
CAPITAL EMPLOYED				
		<b>R 194 124</b>	<b>R 176 508</b>	
<b>FIXED ASSETS -NET BOOK VALUE</b>		8	10	
<b>7 GENERAL FIXED ASSETS - NET BOOK VALUE</b>		0	2	
<b>5 SECURITY AND COMMUNICATION ASSETS - NET B V</b>		5	5	
<b>AT COST</b>		167 844	172 261	
SURVEILLANCE CAMERA - PORTABLE		0	4 417	
SURVEILLANCE CAMERAS AND EQUIPMENT		101 305	101 305	
SECURITY RADIO'S AND CHARGER		10 563	10 563	
SECURITY GATE-AREA 1		55 977	55 977	
<b>7 AMORTISED</b>		167 839	172 255	
SURVEILLANCE CAMERA-PORTABLE		0	4 416	
SURVEILLANCE CAMERAS AND EQUIPMENT		101 303	101 303	
SECURITY RADIO'S AND CHARGER		10 561	10 561	
SECURITY GATE-AREA 1		55 976	55 976	
<b>6 DISASTER PLANNING ASSETS-NET BOOK VALUE</b>		3	2	
<b>AT COST</b>		107 289	50 879	
FIRE UNITS, TRAILERS & FITTINGS		107 269	50 879	
<b>7 AMORTISED</b>		107 286	50 877	
FIRE UNITS, TRAILERS & FITTINGS		107 266	50 877	
<b>9 &amp; 11 MRA CASH RESOURCES</b>		106 226	99 051	
CURRENT ACCOUNT CASH AT BANK		17 159	17 279	
MONEY MARKET		88 467	81 462	
SUNDRY DEBTOR - MONEY MARKET INTEREST		600	310	
<b>8 DEDICATED FUNDS CASH RESOURCES</b>		76 790	77 447	
CURRENT ACCOUNT CASH AT BANK		76 790	77 447	
<b>5 PAYMENT IN ADVANCE-LPR CAMERA RENOVATION-70%</b>		R 11 100		
CURRENT CREDITOR-AGM		-1 000		0
SUNDRY DEBTOR- LBRCT		R 1 000		
<b>NET ASSETS</b>		<b>R 194 124</b>	<b>R 176 508</b>	
		0		