

The Owner  
RIETVLEI RIDGE Home Owners Association NPC  
Fountain Grass Road  
**IRENE**  
0081



20 October 2015

Dear Sir/Madam

**RE: MINUTES OF THE ANNUAL GENERAL MEETING OF RIETVLEI RIDGE HOME OWNERS ASSOCIATION NPC**

We refer to the Annual General Meeting held on Tuesday, 13 October 2015 and attach hereto for your information and safekeeping:

- The Minutes of the Meeting; and
- The Chairman's Report

Kindly peruse the documents and please take note of owner's liability in respect of the proceedings at the Annual General Meeting.

We assure you of our best attention at all times.

Yours Faithfully,

A handwritten signature in black ink, appearing to be "Jannie Smit", written over a horizontal line.

**Jannie Smit**  
**PORTFOLIO MANAGER**

**Pretor Group comprising of: Sectional Title Administration • Residential Communities Administration  
Home Rentals • Commercial Property Management • Financial Services**

**MINUTES OF THE ANNUAL GENERAL MEETING OF  
RIETVLEI RIDGE HOME OWNERS ASSOCIATION NPC**

REGISTRATION NUMBER: 2004/027446/08

**HELD ON TUESDAY, 13 OCTOBER 2015 @ 18H00 @ THE CLUB HOUSE  
OF RIETVLEI RIDGE HOA**

**1. NOTICE OF THE MEETING**

Notice of the meeting is given in terms of the Articles of Association of the Home Owners Association and it was noted that a quorum was present. 47 Members were present, either in person or by proxy, and eligible to vote.

**2. WELCOME AND CONFIRMATION OR ELECTION OF CHAIRMAN**

Ms S Aucamp was elected as Chairlady for the meeting and welcomed all members present.

As per Article 4 Ms S Aucamp in her capacity as Chairlady for the Home Owners Association chaired the meeting and welcomed all members present.

**3. ATTENDANCE AND APOLOGIES**

Member attendance was as per the attendance register. Proxies were recorded as apologies.

Jannie Smit (Pretor Group) was in attendance

**4. CONFIRMATION OF PREVIOUS MINUTES**

The minutes of the Annual General Meeting held on 13 November 2014 were taken as read, approved by the meeting and signed by the Chairman.

The previous minutes was duly proposed, seconded and unanimously approved.

**5. CHAIRMAN'S REPORT**

The written report was taken as read and approved by the meeting.

The Chairman's Report was duly proposed, seconded and unanimously approved.

**6. RATIFICATION OF AMENDED RULES**

The amended rules published in January 2015 were duly proposes, seconded and unanimously approved.

**7. CONSIDERATION OF AUDITED FINANCIAL STATEMENTS**

The Audited Financial Statements for the year ending 28 February 2015 were tabled.

After discussion the Annual Financial Statements were considered and accepted by the meeting.

**8. PRESENTATION OF:**

**8.1 ESTIMATE OF INCOME AND EXPENDITURE**

An estimate of income and expenditure for the ensuing year, approved by the Board of Directors was presented to the meeting.

Included in the estimate, a provision was made for a reserve fund of R 0.00

Estimated expenses were set at R 1'878'901.00 and confirmed by the meeting.

**8.2 SPECIAL LEVY**

It was resolved that no special levy will be implemented.

**9. APPROVAL OF:**

**9.1 LEVY PAYMENT IN ADVANCE**

It is confirmed that levies are payable monthly in advance, on or before the 1<sup>st</sup> day of each month. It is further resolved that the levies as accepted under the estimate of income and expenditure comprises the amount of levies payable by each owner

**9.2 ARREAR LEVY : ACTION TAKEN**

Directors are authorised, and authorise the managing agent on their behalf, to take all necessary steps, including legal action and the sequestration of the owners, to ensure that the Home Owners Association receives levies and other monies due to it. The current interest rate is set at 1.5%,(equating to 18% per annum) which interest shall be calculated daily and capitalized monthly on all amounts outstanding including, *inter alia*, debt collection and attorneys charges at the beginning of each month when levies are payable, but is subject to change from time to time in accordance with the provisions of and limitations or requirements imposed by the applicable Legislation.

**9.3 ALLOCATION OF PAYMENTS**

Any payment made by an owner to the Home Owners Association will be allocated firstly to the overdue debt which is newest in time and only once all overdue debts have been paid will it be allocated to current amounts due.

**10. APPOINTMENT OF AUDITOR**

Reach-Out Auditors were re-appointed as Auditors for the ensuing year.

The re-appointment of the Auditors was duly proposed, seconded and unanimously approved.

## **11. REMOVAL AND ELECTION OF DIRECTORS:**

**10.1** In terms of Article 4 the Association determined the number of Directors at (7) persons.

**10.2** As set out in Article 4 each Director shall continue to hold office from the date of this appointment until the Annual General Meeting next following his appointment, at which meeting each director shall be deemed to have retired from office, but shall be eligible for re-election to the Board of Directors as such meeting. In terms of the above all current Directors are deemed to have resigned as from date of this meeting.

The following persons were nominated and elected as Directors for the ensuing year:

1. San-Marie Aucamp
2. Pieter Theron
3. Corne van der Ryst
4. Michael Coetzee
5. Sibongile Mofokeng
6. Frances Geldenhuys
7. Tilla Coetzee

Directive were given to the board to investigate the option to create a walk path adjacent to the perimeter wall, this assist to prevent excessive erosion.

## **12. APPOINTMENT OF COMPANY SECRETARY**

The meeting confirmed the appointment of Pretor Group (Pty) Ltd as the company secretary for RIETVLEI RIDGE Home Owners Association NPC.

The Appointment of Company Secretary was duly proposed, seconded and unanimously approved.

## **13. APPOINTMENT OF PUBLIC OFFICER**

The meeting confirmed the appointment of Pretor Group (Pty) Ltd represented by Donald Weir as the Public Officer for RIETVLEI RIDGE Home Owners Association.

The Appointment of Public Officer was duly proposed, seconded and unanimously approved.

## **14. CONFIRMATION OF THE REGISTERED ADDRESS OF THE COMPANY**

The registered address of the company was confirmed as:

The RIETVLEI RIDGE Home Owners Association NPC  
c/o Pretor Group (Pty) Ltd  
River Falls Office Park  
262 Rose Avenue  
DORINGKLOOF  
0157

Private Bag X115  
CENTURION  
0046

**15. CLOSING**

There being no further matters under discussion, the Chairman thanked the members for having attended and closed the meeting.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
**CHAIRMAN**

# **Rietvlei Ridge Country Estate**

## **Directors' Report 2015/16**

This report represents an overview of the activities of the Directors of the Rietvlei Ridge Country Estate over the past year.

### **1. Financial performance (year ended 28 February 2016)**

The 2014/15 Financial Year started with a surplus of R 113 665 and ended with a surplus of R 336 434, despite a number of unbudgeted, but essential, expenses. A sufficient reserve fund is required to take care of unexpected, but necessary expenses, as well as planned maintenance such as the boundary walls, in order to avoid or minimize the need for special levies. The Directors aimed to be prudent with the finances and minimise expense to ensure that the available funds are spent in the best possible way. Our previous levy increase was towards the end of 2014 and rising cost of expenses necessitate an adjustment in our budget accordingly. There was a reduction of R230k in trade receivables, mainly due to M-T being forced to settle the arrear levies on their properties before clearance is provided for the sale transaction. We hope to have further progress in this regard in the next financial year.

### **2. Security**

Security is one of the key priorities for the directors, especially with the ongoing building activities on the estate. Regular maintenance of the estate's electrical fence and security equipment takes place. Access for contractors has been tightened and all domestic and garden workers accessing the estate on their own are now required to have access cards and to undergo a security screening.

### **3. Human Resources**

Our estate manager, Mrs Joke d'Ath, continues being a great support to the Directors and managing the estate in her friendly, but firm, way, building on the strong relationships that she has established with officials at the municipality and neighbours of the estate.

### **4. Clubhouse and facilities**

The clubhouse remains popular for functions. Unfortunately some residents continued to treat the swimming pool with great disrespect, which caused the Directors to have the pool gate locked at all times. Residents who want to use the pool at present has to sign in and fetch the key to the gate at the guardhouse. This measure seems effective and the acts of vandalism experienced earlier have stopped.

The boundary wall has received some much needed maintenance subsequent to the financial year end and is now looking almost brand new again.

### **5. Aesthetics and Conduct Rules**

The Directors have the unenviable task to ensure that all building plans adhere to the aesthetic guidelines of the estate. As a value add the directors also check whether the plans comply with SANS and in this regard work closely with the municipal building inspector. Many owners have requested exceptions, but unfortunately it is often not possible to allow these as the directors' responsibility is towards all the owners in the estate and have to ensure that everyone's interest is considered.

Currently the conduct rules are being streamlined and a penalty system complementing the conduct rules will be circulated shortly. The estate is home to us all and the intention is definitely not to make a correctional facility of the estate. Although most people know how to conduct themselves in a neighbourly fashion, there must be measures in place for the exceptions that don't. This should not be confused with the building penalties.

## **6. Communication**

Estate agents marketing on the estate have been required to register with the HOA. This is necessary for security purposes. A board with the details of the accredited estate agents have been erected at the entrance to the estate.

## **7. General**

Activities outside the reporting period include the revamping of the estate's website, upgrading of the electric fence as well as the installation of the first postal boxes.

The directors met once a month to discuss important issues and to make decisions. Each director had a portfolio that was his/her responsibility to drive. Urgent issues are being dealt with via e-mail and informal meetings in between. In some estates the HOA directors receive remuneration for their work as directors, but this is not the case at Rietvlei Ridge. All the directors give their time and input free of charge. Time is a scarce commodity and we appreciate this sacrifice made by the directors that assists in keeping the levies low. We would like to thank them for the time and effort they are making available to the HOA, despite their own demanding work lives and limited personal time. This is much appreciated.

The directors for the 2015/2016 period were:

- Frances Geldenhuys;
- Michael Coetzee;
- Pieter Theron;
- Sibongile Mofokeng;
- Tilla Coetzee;
- San-Marié Aucamp;
- Corney Van der Ryst.

We would also like to thank the Estate Manager and all our service providers for their input and hard work – we hope we can continue with the relationships into the future!

**RIETVLEI RIDGE HOMEOWNERS ASSOCIATION NPC**

(Registration number 2004/027446/08)

Financial statements

for the year ended 29 February 2016

Reach Out Auditors Incorporated  
Chartered Accountants (S.A.)  
Registered Auditors  
Issued 18 May 2016



# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

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

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

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

### Preparer

The Pretor Group assisted by Reach Out Auditors Incorporated

### Published

18 May 2016

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Directors' Responsibilities and Approval

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

The directors 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 directors have reviewed the company's cash flow forecast for the year to 28 February 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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**Director**

**18 May 2016**

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**Director**

# Independent Auditor's Report

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## To the shareholder of Rietvlei Ridge Homeowners Association NPC

We have audited the financial statements of Rietvlei Ridge Homeowners Association NPC as set out on pages 6 to 13, which comprise the statement of financial position as at 29 February 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, the notes, comprising a summary of significant accounting policies and other explanatory information.

## Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

## 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 auditor considers internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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 Rietvlei Ridge Homeowners Association NPC as at 29 February 2016, 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 Companies Act 71 of 2008.

## Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 29 February 2016, we have read the directors' report for the purpose of identifying whether there are material inconsistencies between that report and the audited financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.

**Reach Out Auditors Incorporated**

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**CM Swart**  
**Chartered Accountant (S.A.)**  
**Registered Auditor**

**18 May 2016**  
**Pretoria**  
**146 Garsfontein Road**  
**Alphen Park**  
**Menlo Park**  
**0081**

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Rietvlei Ridge Homeowners Association NPC for the year ended 29 February 2016.

### 1. Nature of business

Rietvlei Ridge Homeowners Association NPC was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

There have been no material changes to the nature of the company'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 company are set out in these financial statements.

### 3. Share capital

The company has been incorporated without shares or share capital.

### 4. Directors

The directors in office at the date of this report, according to the formal CIPC register, are as follows:

Directors	Changes
Geldenhuys, F.	
Aucamp, S	
Theron, P	
Mofokeng, S	
Coetzee, M	
van der Ryst, C	
Coetzee, T	
Vorster, M.	Resigned 13 October 2015

In terms of the company's Memorandum of Incorporation the directors retire by rotation at the AGM and are eligible for re-election

All directors, except Ms. Vorster, were re-elected as directors for the subsequent year.

### 5. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

### 6. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 29 February 2016 the company's investment in property, plant and equipment amounted to R51,925 (2015:R1), of which R60,016 (2015: R-) was added in the current year through additions.

### 7. Events after the reporting period

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

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Directors' Report

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### 8. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

### 9. Secretary

The company secretary is the Pretor Group.

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Statement of Financial Position as at 29 February 2016

Figures in Rand	Note(s)	2016	2015
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	51,925	1
<b>Current Assets</b>			
Trade and other receivables	3	1,498,235	1,723,472
Current tax receivable		35,451	3,029
Cash and cash equivalents	4	928,106	454,838
		<b>2,461,792</b>	<b>2,181,339</b>
<b>Total Assets</b>		<b>2,513,717</b>	<b>2,181,340</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		2,047,755	1,711,321
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	465,962	470,019
<b>Total Equity and Liabilities</b>		<b>2,513,717</b>	<b>2,181,340</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Levies	6	2,030,501	1,900,588
Other income	7	3,600	1,900
Operating expenses		(1,785,385)	(1,960,425)
<b>Operating surplus (deficit)</b>	8	<b>248,716</b>	<b>(57,937)</b>
Investment revenue	9	103,635	219,487
<b>Surplus (deficit) before taxation</b>		<b>352,351</b>	<b>161,550</b>
Taxation	10	(15,917)	(47,885)
<b>Surplus (deficit) for the year</b>		<b>336,434</b>	<b>113,665</b>
Other comprehensive income		-	-
<b>Total comprehensive surplus (deficit) for the year</b>		<b>336,434</b>	<b>113,665</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 March 2014</b>	<b>1,597,656</b>	<b>1,597,656</b>
Deficit for the year	113,665	113,665
Other comprehensive income	-	-
<b>Total comprehensive deficit for the year</b>	<b>113,665</b>	<b>113,665</b>
<b>Balance at 01 March 2015</b>	<b>1,711,321</b>	<b>1,711,321</b>
Surplus for the year	336,434	336,434
Other comprehensive income	-	-
<b>Total comprehensive surplus for the year</b>	<b>336,434</b>	<b>336,434</b>
<b>Balance at 29 February 2016</b>	<b>2,047,755</b>	<b>2,047,755</b>



# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	12	477,988	(86,015)
Interest income		103,635	219,487
Tax paid	13	(48,339)	(50,859)
<b>Net cash from operating activities</b>		<b>533,284</b>	<b>82,613</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(60,016)	-
<b>Total cash movement for the year</b>		<b>473,268</b>	<b>82,613</b>
Cash at the beginning of the year		454,838	372,225
<b>Total cash at end of the year</b>	4	<b>928,106</b>	<b>454,838</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Accounting Policies

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### 1. Presentation of financial statements

The financial statements have been prepared 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 is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

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Item	Depreciation method	Average useful life
Security equipment	6 years	
Garden equipment	5 years	
IT equipment	3 years	

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

#### 1.2 Impairment of assets

The company 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.

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.

#### 1.3 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### 1.4 Provisions and contingencies

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

#### 1.5 Borrowing costs

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

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Notes to the Financial Statements

	2016	2015
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### 2. Property, plant and equipment

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Security equipment	285,677	(249,228)	36,449	244,673	(244,672)	1
Garden equipment	12,412	(2,069)	10,343	-	-	-
IT equipment	6,600	(1,467)	5,133	-	-	-
<b>Total</b>	<b>304,689</b>	<b>(252,764)</b>	<b>51,925</b>	<b>244,673</b>	<b>(244,672)</b>	<b>1</b>

#### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Security equipment	1	41,004	(4,556)	36,449
Garden equipment	-	12,412	(2,069)	10,343
IT equipment	-	6,600	(1,467)	5,133
	<b>1</b>	<b>60,016</b>	<b>(8,092)</b>	<b>51,925</b>

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Depreciation	Total
Security equipment	20,388	(20,387)	1

### 3. Trade and other receivables

Trade receivables	1,490,805	1,721,655
Deposits	7,430	910
VAT	-	907
	<b>1,498,235</b>	<b>1,723,472</b>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	697,106	290,949
Other cash and cash equivalents	231,000	163,889
	<b>928,106</b>	<b>454,838</b>

### 5. Trade and other payables

Amounts received in advance	209,098	113,700
Other payables	-	8,000
Accrued expenses: Building deposits & Levy refunds	253,003	261,605
Other accrued expenses	3,861	86,714
	<b>465,962</b>	<b>470,019</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Notes to the Financial Statements

Figures in Rand	2016	2015
<b>6. Revenue</b>		
Levy - Standard	1,823,704	1,779,786
Levy - Accreditation	27,700	14,861
Levy - Building deposits forfeited	11,624	36,050
Levy - Access control	28,402	-
Levy - Building penalties	123,877	60,612
Levy - Cleaning of stands	15,194	9,279
	<b>2,030,501</b>	<b>1,900,588</b>
<b>7. Other income</b>		
Rental income - Clubhouse	3,600	1,900
<b>8. Operating surplus (deficit)</b>		
Operating surplus (deficit) for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	8,092	20,387
Employee costs	149,450	136,738
<b>9. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	24,218	14,433
Interest charged on trade and other receivables	79,402	205,054
Interest - SARS	15	-
	<b>103,635</b>	<b>219,487</b>
<b>10. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Local income tax - current period	15,917	47,885
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting profit	352,351	161,550
Tax at the applicable tax rate of 28%% (2015: %)	98,658	45,234
<b>Tax effect of adjustments on taxable income</b>		
Exempt income	(98,658)	(45,234)
Other income	15,917	47,885
	<b>15,917</b>	<b>47,885</b>
<b>11. Auditor's remuneration</b>		
Fees	7,638	(5,800)

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Notes to the Financial Statements

Figures in Rand	2016	2015
<b>12. Cash generated from (used in) operations</b>		
Profit before taxation	352,351	161,550
<b>Adjustments for:</b>		
Depreciation and amortisation	8,092	20,387
Interest received	(103,635)	(219,487)
Rounding	1	-
<b>Changes in working capital:</b>		
Trade and other receivables	225,236	(150,329)
Trade and other payables	(4,057)	101,864
	<b>477,988</b>	<b>(86,015)</b>
<b>13. Tax paid</b>		
Balance at beginning of the year	3,029	55
Current tax for the year recognised in profit or loss	(15,917)	(47,885)
Balance at end of the year	(35,451)	(3,029)
	<b>(48,339)</b>	<b>(50,859)</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Revenue</b>			
Levy - Standard		1,823,704	1,779,786
Levy - Accreditation		27,700	-
Levy - Security access cards & tags		-	14,861
Levy - Building deposits forfeited		11,624	36,050
Levy - Access control		28,402	-
Levy - Cleaning of stands		15,194	9,279
Levy - Building penalty fee		123,877	60,612
	6	<u>2,030,501</u>	<u>1,900,588</u>
<b>Other income</b>			
Rental income - Clubhouse		3,600	1,900
Interest received	9	103,635	219,487
		<u>107,235</u>	<u>221,387</u>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Operating expenses</b>			
Accounting fees		3,505	5,040
Auditors remuneration	11	7,638	(5,800)
Bank charges		6,113	4,575
Consulting and professional fees		-	5,860
Consulting and professional fees - IT & Equipment		3,948	-
Depreciation, amortisation and impairments		8,092	20,387
Employee costs		149,450	136,738
Entertainment		-	486
Garden: Maintenance		15,560	18,430
Garden: Services		88,100	70,568
Garden: Stand cleaning		35,661	112,420
IT expenses		1,909	138
Insurance		36,746	35,673
Internet service expense		4,709	5,092
Legal expenses		19	15,367
Management fees		148,683	135,166
Municipal expense: Assessment rates		(97)	24,677
Municipal expense: Electricity		11,678	14,211
Municipal expense: Interest & admin		428	289
Municipal expense: Sanitation		111	3,277
Municipal expense: Water		8,471	14,950
Pool expenses		22,339	17,695
Printing and stationery		1,362	975
Projects expenses		13,009	154,662
R&M: Cleaning materials		560	1,639
R&M: Electrical		1,181	36,552
R&M: Fire equipment		253	-
R&M: Maintenance general		11,357	16,257
R&M: Plumbing		795	6,926
Refuse removal: Bronberg		101,888	77,316
Security: Access control		195,125	76,593
Security: Equipment		40,436	10,168
Security: Guarding service		793,040	747,459
Security: Maintenance		52,953	168,832
Security: Monitoring & armed response		-	9,841
Staff welfare		4,340	1,067
Telephone and fax		15,723	16,899
Transport and freight		300	-
		<b>1,785,385</b>	<b>1,960,425</b>
<b>Profit before taxation</b>		<b>352,351</b>	<b>161,550</b>
Taxation	10	(15,917)	(47,885)
<b>Profit for the year</b>		<b>336,434</b>	<b>113,665</b>

# Rietvlei Ridge Homeowners Association NPC

(Registration number 2004/027446/08)

Financial Statements for the year ended 29 February 2016

## Tax Computation

Figures in Rand	2016
Net profit per income statement	352,351
<b>Exempt income</b>	
Reversal of (surplus) / deficit per income statement	(352,351)
Levies	2,030,501
Levy exemption in terms of s10(1)(e)(i)	(2,030,501)
	<b>(352,351)</b>
<b>Additional income</b>	
Total taxable income	107,236
Less S10(1)(e)(ii) exemption (R 50 000 limited to additional income amount)	(50,000)
Less qualifying deductible expenditure	(390)
	<b>56,846</b>
<b>Taxable income for 2016</b>	<b>56,846</b>
<b>Tax thereon @ 28%% in the Rand</b>	<b>15,917</b>
<b>Reconciliation of tax balance</b>	
Amount owing/(prepaid) at the beginning of year	(3,029)
Prior year adjustment	(15)
<b>Amount owing/(prepaid) in respect of prior year</b>	<b>(3,044)</b>
<b>Tax owing/(prepaid) for the current year:</b>	
<b>Normal tax</b>	
Per calculation	15,917
1st provisional payment	(25,983)
2nd provisional payment	(22,341)
	<b>(32,407)</b>
<b>Amount owing/(prepaid) at the end of year</b>	<b>(35,451)</b>



HOMEOWNERS ASSOCIATION		PRETOR RESIDENTIAL COMMUNITIES	
RIETVLEI RIDGE			
PROPOSED INCOME AND EXPENSES FOR THE PERIOD			
01 Mar 2016		28 Feb 2017	
		PROPOSED BUDGET	Previous year ACTUAL BUDGET
<b>INCOME</b>		<b>2 328 965.00</b>	<b>2 137 736.00</b>
<b>NON-TAXABLE INCOME</b>		<b>2 219 184.00</b>	<b>1 797 561.00</b>
Levies	Unit	1 860 636.00	1 823 704.00
Levies	Building deposits forfeited	-	11 624.00
Levies	Special	124 200.00	-
<b>Recoveries</b>			
Cleaning of Stands		18 000.00	15 194.00
Building Penalties		114 348.00	123 877.00
Income	Access Control	102 000.00	28 402.00
<b>TAXABLE INCOME</b>		<b>109 781.00</b>	<b>134 935.00</b>
Interest	Bank Account	40 451.00	24 218.00
Interest	Late Payment Levy	69 330.00	79 417.00
Income	Accreditation Fee	-	27 700.00
Rental Income	Club House	-	3 600.00
<b>EXPENDITURE</b>		<b>2 302 328.00</b>	<b>1 785 385.00</b>
<b>OPERATING EXPENSES</b>			
<b>SECURITY EXPENSES [623000]</b>		<b>1 120 456.00</b>	<b>951 058.00</b>
Security: Guarding Services	2	841 218.00	793 040.00
Security: Access Control	3	194 238.00	195 125.00
Security: Electrical Fence & Harware Maintenance		45 000.00	52 953.00
Security: Equipment		40 000.00	40 436.00
<b>SALARIES, WAGES &amp; CONTRIBUTIONS [629000]</b>		<b>180 028.00</b>	<b>154 140.00</b>
<b>Salaries</b>	4	147 840.00	145 926.00
Travel Allowances/Expenses		12 000.00	-
Telephone Allowance/Expenses		-	350.00
Provisions & Contributions		14 256.00	2 344.00
Casual Wages		3 000.00	-
Admin Fees: Wages		432.00	1 180.00
Staff Consumables		2 500.00	4 340.00
Overalls & Uniforms		-	-
<b>INSURANCE [627000]</b>		<b>43 634.00</b>	<b>36 746.00</b>
Insurance: Premium		36 744.00	36 746.00
Insurance: Preventative Excess Payments		5 000.00	-
Insurance: SASRIA		1 890.00	-
<b>GARDEN &amp; POOL EXPENSES [621000]</b>		<b>190 261.00</b>	<b>161 660.00</b>
Garden: Services	5	99 468.00	88 100.00
Garden: Maintenance		20 000.00	15 560.00
Garden: Equipment & B-One Hire		-	-
Garden: Stand Cleaning		42 793.00	35 661.00
Pool: Services	6	21 600.00	22 339.00
Pool: Maintenance		5 400.00	-
Pool: Equipment		1 000.00	-
<b>COMMUNICATION [628000]</b>		<b>20 800.00</b>	<b>20 082.00</b>
Internet Services (www.rietvleiridge.co.za)		5 800.00	4 709.00
Telephone		15 000.00	15 373.00
<b>OFFICE EXPENSES [626000]</b>		<b>11 500.00</b>	<b>5 857.00</b>
Equipment: Maintenance - IT		1 000.00	-
Equipment - Office		5 000.00	3 948.00
Equipment - IT		1 500.00	1 909.00
Equipment - Consumables		4 000.00	-
<b>BUILDING EXPENSES [620000]</b>		<b>19 500.00</b>	<b>14 146.00</b>
R & M: Cleaning Materials		1 000.00	560.00
R & M: Electrical		2 000.00	1 181.00
R & M: Fire Equipment		1 500.00	253.00
R & M: Maintenance General		10 000.00	11 357.00
R & M: Plumbing		5 000.00	795.00

BudgetMaster written by : Jannie Smit

Budget of Trustees

<b>SPECIAL PROJECTS [625000]</b>		<b>290 000.00</b>	<b>13 009.00</b>	<b>-</b>
Project: Painting - Perimeter Wall		200 000.00	68.00	-
Project: Security		50 000.00	-	-
Project: Fire Equipment		15 000.00	-	-
Project: Post Boxes		25 000.00	-	-
Project: Other			12 941.00	-
<b>MUNICIPAL EXPENSES [6000000]</b>	7	<b>194 648.00</b>	<b>122 479.00</b>	<b>265 436.00</b>
Sanitation		10 368.00	111.00	44 064.00
Electricity		12 024.00	11 678.00	38 504.00
Water		42 240.00	8 471.00	89 228.00
Assessment Rates		10 000.00	-97.00	10 000.00
Interest & Admin		-	428.00	-
Refuse - HOA		120 016.00	101 888.00	83 640.00
<b>PROFESSIONAL FEES [650000]</b>		<b>22 300.00</b>	<b>11 162.00</b>	<b>26 651.00</b>
Audit Fees		7 260.00	7 638.00	6 611.00
Consulting Fees		5 000.00	-	5 000.00
Legal Fees		5 000.00	19.00	10 000.00
Secretarial Fees		1 620.00	1 225.00	1 620.00
Tax Return Fees		3 420.00	2 280.00	3 420.00
<b>ADMINISTRATION &amp; PROVISIONS [650000]</b>		<b>209 201.00</b>	<b>164 550.00</b>	<b>195 616.00</b>
Management Fees		160 578.00	148 683.00	148 683.00
Bank Charges		6 723.00	6 113.00	5 033.00
Depreciation		40 000.00	8 092.00	40 000.00
Printing & Stationery		1 900.00	1 362.00	1 900.00
Postage & Faxes		-	300.00	-
<b>SURPLUS (DEFICIT) BEFORE TAXATION &amp; RESERVES</b>		<b>26 637.00</b>	<b>352 351.00</b>	<b>25 660.00</b>
TAXATION ON TAXABLE INCOME		16 639.00		
PROVISION FOR TAXATION		-		15 863.00
SURPLUS/(DEFICIT) AT THE BEGINNING OF THE YEAR		-		-
SPECIAL PROJECTS		-		
PROVISION FOR SURPLUS (RESERVE FUND)		10 000.00	-	
<b>NETTO SURPLUS / DEFICIT</b>		<b>-2.00</b>	<b>352 351.00</b>	<b>9 797.00</b>

BUDGET FOR THE HOMEOWNERS ASSOCIATION			
<b>RIETVLEI RIDGE</b>			
From	01 Mar 2016	Until	28 Feb 2017

**NOTES****INCREASE****MONTHS****1 INCOME : LEVY**

01 Mar 2016	-	29 Feb 2016			133 101.00	0	-
01 Mar 2016	-	28 Feb 2017	Increase of	16.49%	155 053.00	12	1 860 636.00
							1 860 636.00

**SPECIAL CONTRIBUTIONS**

01 Mar 2016	-	01 Aug 2016	Amount payable	R	20 700.00	6	124 200.00
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**PAYABLE PER LEVY PAYER**

Number of levy Payers 207

Levy (Incl. VAT)

Current Monthly	Proposed Monthly	Contributions	Total Levy	Annual per unit
R 733.00	R 854.00	R 100.00	R 968.00	R 10 246.00

**EXPENSES****2 SECURITY: GUARDING SERVICES:**Tactical Edge Security

01 Mar 2016	-	31 Aug 2016			67 203.00	6	403 218.00
01 Sep 2016	-	28 Feb 2017		8.00%	73 000.00	6	438 000.00
							841 218.00

**3 Security: Access Control**Click-On

01 Mar 2016	-	31 Aug 2016			15 564.00	6	93 384.00
01 Sep 2016	-	28 Feb 2017		8.00%	16 809.00	6	100 854.00
							194 238.00

**4 SALARIES**CaretakerJ d' Ath

01 Mar 2016	-	31 Oct 2016			12 000.00	8	96 000.00
01 Nov 2016	-	28 Feb 2017		8.00%	12 960.00	4	51 840.00
							147 840.00

Travel AllowanceJ d' Ath

01 Mar 2016	-	31 Aug 2013			1 000.00	6	6 000.00
01 Sep 2013	-	28 Feb 2017		0.00%	1 000.00	6	6 000.00
							12 000.00

**PROVISIONS & CONTRIBUTIONS**

Relief (Leave and sick leave)

UIF

Bonus

-
1 296.00
12 960.00
14 256.00

**5 GARDEN SERVICES**Garden Services

01 Mar 2016	-	29 Feb 2016			7 747.00	0	-
01 Mar 2016	-	28 Feb 2017		7.00%	8 289.00	12	99 468.00
							99 468.00

**6 POOL SERVICES**Pool

01 Mar 2015	-	31 Aug 2016			1 800.00	6	10 800.00
01 Sep 2016	-	28 Feb 2017			1 800.00	6	10 800.00
							21 600.00

**MUNICIPAL EXPENSES****7 Sanitation**

01 Mar 2016	-	30 Jun 2016			820.00	4	3 280.00
01 Jul 2016	-	28 Feb 2017		8.00%	886.00	8	7 088.00
							10 368.00

Electricity (Council or IMPACT)

01 Mar 2016	-	30 Jun 2016			900.00	4	3 600.00
01 Jul 2016	-	28 Feb 2017		17.00%	1 053.00	8	8 424.00
							12 024.00

Notes to budget

Water

01 Mar 2016	-	30 Jun 2016		3 300.00	4	13 200.00
01 Jul 2016	-	28 Feb 2017	10.00%	3 630.00	8	29 040.00
						42 240.00

Refuse (Council)

01 Mar 2016	-	30 Jun 2016		9 376.00	4	37 504.00
01 Jul 2016	-	28 Feb 2017	10.00%	10 314.00	8	82 512.00
						120 016.00

8 **TAXATION**

Calculation of percentage allowable expenses deductible from taxable income :

<u>Taxable Income X 100</u>	Taxable Income	59 781.00
Total Income	Total Income	2 328 965.00
		2.57%

Allowable Expenses Deductible - Taxable Income - VAT Inclusive

Audit Fee	7 260.00	
Bank Charges	6 723.00	
Total	13 983.00	X
		2.57%
		358.92

Calculation of Tax

Taxable Income	59 781.00
Deduction : Allowable Expenses	358.92
Taxable Amount	59 422.08
Taxation Thereon @ 28.00%	16 638.18
	16639 (Input Cell)



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# **CONDUCT RULES**



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## **1. USE OF THE STREETS**

- 1.1 The speed limit is restricted to 20 km/h throughout the **development**.
- 1.2 Parking on traffic circles, sidewalks and in streets is prohibited.
- 1.3 Only licensed vehicles are to be operated in the streets and no off-road motorcycles, go-carts or quad bikes may be operated in the streets.

## **2. GOOD NEIGHBOURLINESS**

- 2.1 Any activity or hobby, which could cause aggravation or nuisance to fellow residents, may not be conducted from any property.
- 2.2 The volume of music or electronic instruments, partying and the activities of domestic assistance should be kept at a level so as not to create a nuisance to neighbours. Silence must be maintained between the following hours:
  - 2.2.1 Sundays to Thursdays: 22:00 – 07:00
  - 2.2.2 Fridays and Saturdays: 24:00 – 07:00
  - 2.2.3 Sundays: 14:00 – 16:00
- 2.3 The mechanical maintenance and use of power saws, lawnmowers and the like machinery should only be undertaken between the following hours:
  - 2.3.1 Weekdays : 07:00 – 19:00
  - 2.3.2 Saturdays : 08:00 – 18:00
  - 2.3.3 Not on Sundays
- 2.4 Refuse, garden refuse and refuse bags may not be placed on the pavement. Garden refuse must be removed on the same day and may not be piled up. All refuse containers must be removed from the pavement on the same day the refuse is collected.

## **3. AESTHETICS**

- 3.1 Garden fences and/or walls and/or outbuildings forming part of the streetscape should be regularly maintained and painted when necessary.



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- 3.2 Caravans, trailers, boats, equipment, tools, engine and vehicle parts, building materials and any accommodation for pets should be located out of view and screened from neighbouring properties and the street.
  - 3.3 Building materials may not under any circumstances be dumped on the sidewalks or roads.
  - 3.4 No trees, plants or sidewalk lawn may be removed without the permission of the **Board**.
  - 3.5 No private gardening is allowed on communal property.
  - 3.6 No wendy houses or similar structures will be permitted and the use of shade cloth is prohibited.
  - 3.7 No structural alterations or additions may be made unless prior approval of the plans have been obtained from the **Board** and approval from the Local Authority.

#### **4. ENVIRONMENTAL MANAGEMENT**

- 4.1 No rubble or refuse should be dumped or discarded in any public area or on vacant stands.
- 4.2 Residents are encouraged to maintain trees, plants and shrubs that have been planted on their pavements by the **Board**.
- 4.3 Residents are encouraged to maintain a high standard of gardening and to keep their gardens clean and neat at all times and includes the pruning of trees and cutting of palms leaves and seeds where palm trees are planted.
- 4.4 Vacant stands must be kept clean on a regular basis to the satisfaction of the **Board** and if not maintained, the **Board** shall be entitled to clean the stand at the owner's expense.

#### **5. SECURITY**

- 5.1 The security rules and protocol must be adhered to at all times.



5.2 All attempts at burglary or any suspicious activities within the **Township** must be reported to the **Board** or the **Managing Agent**.

## **6. TENANTS, VISITORS, CONTRACTORS AND EMPLOYEES**

6.1 The provisions of these Rules and the duties of the owner/member in relation to the use and occupation of **Units** and common property shall be binding on the member/owner of any **Unit** and any lessee or other occupant of any **Unit** and it shall be the duty of the owner/member to ensure compliance with these Rules by his lessee or occupant, including employees, guests and any member of his/her family, his/her lessee or his/her occupant.

6.2 A member shall not let his property or part thereof or allow occupation thereof without notifying the **Board** of the name, ID number and contact details of such tenant or occupant.

6.3 The owner shall ensure that a copy of these Rules is included in any written lease concluded in respect of his **Unit** or part thereof and shall at the request of the **Board**, furnish a copy of such lease to the **Board**. If a written lease is not concluded, the member may be required to furnish proof to the **Board** that his/her tenant/occupant has received a copy of these Rules.

6.4 Occupants of any **Unit** within the **Township** are liable for the conduct of their visitors, contractors, servants and/or employees and must ensure that they adhere to these Rules.

6.5 All members must ensure that contractors in their employ have signed/acknowledged the Contractor's Code of Conduct prior to commencement of any building/construction activity and must ensure that they adhere to the provisions of these Rules and of the Contractor's Code of Conduct at all times.

## **7. PETS**

7.1 Any by-laws concerning pets must be adhered to.

7.2 Pets are not permitted to roam the streets and dogs must be kept on a leash at all times.





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- 7.3 Should animal excrement be deposited in any public area, the person in control of the pet shall be responsible for the immediate removal thereof.

## **8. FINES AND PENALTIES**

- 8.1 The Directors shall be entitled to implement a system of fines and penalties from time to time in order to deter any contravention of these Rules and to ensure the due enforcement of these Rules.
- 8.2 Any penalties imposed by the Directors are subject to adjustment and/or ratification by members in General Meeting.
- 8.3 In the event of contravention of any of these Rules, the following procedure will be followed and implemented by the Directors/**Managing Agent**:
- 8.3.1 A letter of demand will be sent to the member, specifying the nature of the breach and demanding him to remedy the breach within a period of 10 (ten) days;
- 8.3.2 Should the member fail to adhere to the demand letter and to remedy the breach then, unless written objection is received by the owner concerning the alleged contravention, the prescribed penalty shall be implemented and levied against the member's levy account and shall be enforceable, as if such penalty or fine constitutes a normal levy;
- 8.3.3 If the transgression is disputed and upon receipt of any written objection, the **Board** shall convene a meeting with the owner within a period of 10 (ten) days and at which meeting the owner shall be entitled to address his objection, to call witnesses and which meeting shall take the form of an informal inquest. The decision of the **Board** shall be final;
- 8.3.4 Should the member refuse to accept the decision of the **Board** on any matter, such dispute shall then be referred to arbitration in terms of these Rules.



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## 9. GARDENS

Plants, shrubs and lawn:-

- 9.1 may be planted within the parameters of a **Unit**, provided that such plants, shrubs and lawn may not fall under any category which is prohibited from time to time in terms of any law, by-law or regulation;
- 9.2 shall be planted in such a manner so as not to cause a hindrance or damage to any foundations, walls, pipes, drains or any sewerage system or electricity reticulation, security fencing or to any common property;
- 9.3 shall be removed by the owner and any damages caused thereby repaired at the owner's expense, where, at the sole discretion of the **Board**, such hindrance or damages are caused or is likely to be caused by such plants, shrubs and lawns. If an owner fails to give effect to these provisions, then the **Board** shall be entitled to remedy any defect, failure or damages caused and to claim such expenses from the owner.

## 10. AESTHETICAL GUIDELINES

- 10.1 The **Board** may from time to time make Rules concerning alterations, additions and improvements to **Units** which may include directives concerning design, appearance, colour schemes and the location of any such additions/alterations.
- 10.2 Any aesthetical guidelines or rules made by the **Board** shall be subject to review by the members in General Meeting.

## 11. BUSINESS FROM HOME

- 11.1. No business may be conducted from home without the written consent of the HOA and then only if such business is permitted in terms of the applicable town-planning scheme. A home enterprise in terms of the Tshwane Town-planning Scheme, 2008, means the practice of an activity, business, hobby or occupation in a dwelling-unit excluding a commune, a guest-house, a block of tenements, a boarding house,



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hostel and hotel, with the aim of deriving an income therefrom subject to Schedule 9 of the Scheme.

- 11.2 All owners/tenants wishing to conduct businesses from home have to apply to the **Board** in writing, which will deal with any such application at the first Board Meeting after the submission of the application. The Board's decision is final.
- 11.3 All business operations must adhere to the criteria and conditions as specified by the **Board** and to local municipal by-law and regulations associated with the nature of the business.
- 11.4 If the factors regarding the business change, the **Board** reserves the right to withdraw its consent.
- 11.5 The following factors will play a role in the Board's decision:
- 11.5.1 Will the business cause an influx of visiting vehicles into the Estate?
  - 11.5.2 Will it generate excessive noise?
  - 11.5.3 Will it have a negative impact on neighbouring stands /units?
  - 11.5.4 Does it have the potential to attract criminal elements into the Estate?
  - 11.5.5 Will it depend on onsite advertisement and high visibility?
  - 11.5.6 Will it fit in with the general character of the Estate?
  - 11.5.7 Will it enhance or reduce the desirability of the Estate for prospective investors?
  - 11.5.8 What will the effect of the business be on the general value of units in the Estate?
  - 11.5.9 Will the business require additional building construction?



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- 11.5.10 How do the direct neighbours of the applicant feel about the intended business?
  - 11.5.11 Will adequate parking be made available, so as to prevent sidewalk or circle parking?
  - 11.5.12 Only a business where the owner is self-employed with a maximum of one staff member on site will be considered.

## 12. DISPUTE RESOLUTION PROCEDURES

### 12.1 Monies due:

- 12.1.1 Any contributions, levies or other monies due and payable by a Member to the **Company** may be recovered by the **Company** by action in any Court, including any Magistrate's Court, of competent jurisdiction. The parties hereto consent, in terms of the Magistrate's Court Act, 32 of 1944, as amended, to the taking of any legal proceedings arising from this Agreement in the Magistrate's Court of any District otherwise having jurisdiction by virtue of Section 28(1) of the aforesaid Act, notwithstanding that such proceedings would otherwise be beyond such jurisdiction. The **Company** instituting such proceedings shall nevertheless still have the right to institute such proceedings in any Division of the High Court of South Africa having jurisdiction, should he so wish and in which event the **Company**, if successful, will not be penalized with an order for costs on the Magistrate's Court scale.
- 12.1.2 A Member shall be liable and pay all legal costs, including costs as between attorney and client, collection commission, expenses and other charges incurred by the **Company** in obtaining the recovery of contributions, arrear levies or any other arrear amounts and monies due and owing by such Member to the **Company** or in enforcing compliance with any of the provisions of the Memorandum of Incorporation, the **Act** or these Rules.



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## 12.2 Other disputes:

- 12.2.1 In the event of a dispute between the **Company** and a Member or between Members arising out of or in connection with or related to provisions of this Memorandum of Incorporation, the **Act** or these Rules, save where an interdict or any form of urgent or other relief may be required or obtained from a Court having jurisdiction, shall be determined in terms of these Rules.
- 12.2.2 Notwithstanding the provisions of clause 11.2.1, any dispute concerning payment of monies due in accordance with clause 11, shall be excluded from arbitration.
- 12.2.3 If such a dispute or complaint arises, the aggrieved party shall notify the other affected party or parties in writing and copies of such notification shall be served on the **Board** and the **Managing Agent**, if any, and should the dispute or complaint not be resolved within 14 (fourteen) days of such notice, either of the parties may demand that the dispute or complaint be referred to arbitration.
- 12.2.4 Having regard to the nature and complexity of the dispute or complaint and to the costs which may be involved in the adjudication thereof, the parties appoint an arbitrator who shall be an independent and suitably experienced and qualified person as may be agreed upon between the parties to the dispute.
- 12.2.5 If the parties cannot agree as to the person of the arbitrator to be appointed in terms of sub-rule 11.2.4 within 5 (five) days after the arbitration has been demanded, the auditors of the **Company** shall, upon written application, in writing, appoint an arbitrator within 7 (seven) days after they have been required to make the appointment.
- 11.2.6 The arbitration shall be held informally or otherwise as the arbitrator may determine in his own discretion. The arbitrator shall have the right to demand that the party demanding the arbitration furnish the arbitrator with security for payment of the costs of the arbitration in such amount and form as the arbitrator may determine, failing which the arbitration shall not be proceeded with. If such failure to



furnish security for payment persists for longer than 7 (seven) days after demand for security or payment was made, the other party shall be entitled to abandon arbitration proceedings.

- 12.2.7 The intention being that the arbitration shall be concluded within 21 (twenty one) days after an arbitrator has been appointed or security for costs has been furnished.
- 12.2.8 The arbitrator shall make his/her award within 7 (seven) days from the date of the completion of the arbitration and shall, in making his/her award, have regard to the principles laid down in terms of the Memorandum of Incorporation and the Rules thereunder. The arbitrator may determine that the costs of the arbitration be paid by any one of the disputing parties or any of them jointly or in such shares as he/she may determine and as he/she in his/her discretion may deem appropriate, having regard to the outcome of the arbitration.
- 12.2.9 In making an award of costs, it shall be competent for the arbitrator to award costs against the **Company** on the basis that the member in whose favour the award was made, shall be excluded from contributing to such costs through his general levy and/or any special levy contributions.
- 12.2.10 The decision of the arbitrator shall be final and binding and may be made an Order of the High Court upon application of any party to, or affected by, the arbitration.
- 12.2.11 The provisions of the Arbitration Act, No. 42 of 1965 shall be applicable.
- 12.2.12 Notwithstanding that the Arbitration Act, No. 42 of 1965 makes no provision for joinder of parties to an arbitration without their consent thereto, should a dispute arise between the **Company** and more than one owner or between a number of owners arising out of the same or substantially the same cause of action, or where substantially the same order would be sought against all the parties against whom the dispute has been declared, such parties shall be joined in the arbitration by notice thereof to



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such other parties as soon as possible after commencement of the arbitration proceedings, but in any event, not later than 10 (ten) days prior to the arbitration hearing.

12.3 **Fines and penalties:**

The **Company** may create and implement a system of fines and penalties in terms of the Rules as referred to in clause 8.

**13. NOTICES**

- 13.1 A notice in terms of the **Act**, the Memorandum of Incorporation or these Rules may be served by the **Board** upon any member by ordinary mail, by telefax or by e-mail in accordance with the provisions of the **Act**, unless same is required to be sent by a specific method for a particular purpose in a manner prescribed by the **Act** or the Regulations.
- 13.2 Any notice, if served by ordinary mail on a person's last known address, shall be deemed to have been received on the 7<sup>th</sup> (seventh) day following the day on which the notice or document was posted, as recorded by a Post Office.
- 13.3 Any notice, if served by fax, shall be deemed to have been served on the date and at the time recorded by the fax receiver.
- 13.4 Any notice, if served by electronic mail, shall be deemed to have been served on the date and at the time recorded by the computer used by the sender.
- 13.5 Reference to a "notice" includes any document or communication required to be sent in terms of the **Act**, the Memorandum of Incorporation or these Rules and includes a copy of such document.





Proposed fines and penalties for Rietvlei Ridge

The owner shall be liable for the payments of any fines imposed as a consequence of any breach by the owner, residents household, employees, invitees, guest and/or tenants.

Any fine imposed on a resident shall be debt due and payable to the body corporate on delivery of written demand thereof:

The fines imposed for any first offence, shall include:

	OFFENCE	PENALTY
1	For any safety and/or security violation including access rules	R 1 000
2	For any traffic/ parking/speeding violation	R 350
3	For any damage to common property violation	R 500
4	For any pet noise violation	R 350
5	For any pet littering violation	R 350
6	For any refuse violation	R 350
7	For any dumping of material/garden refuse on the common property/vacant stands	R 1 000
8	For any washing violation	R 350
9	For any advertising within the estate/signs displayed without approval of HOA	R 500
10	For any door to door canvassing incident	R 500
11	For any fireworks related incident	R 1 500
12	For any general and ongoing disturbance due to unsocial behaviour and where an owner or neighbour has made an attempt with the offending party to rectify the matter	R 350
13	For any maintenance related work at owners' individual property	R 500





Penalties shall be levied by the Home Owners' Association to the Owner and not to be building contractor, or his agents. It is the responsibility of the Owner to recover such penalty amounts from the building contractor.

	OFFENCE	PENALTY
1	A penalty double the value of the monthly levy is payable until construction begins, also refer to as "breaking ground".	Double monthly levy
2	A penalty of R5.000 pm will be charged for the failure to complete building work within a twelve (12) months after building work has commenced, and will be charged on a monthly basis until such time that the residence can apply for an Aesthetic (ORBIC) and Occupation (Council) Certificates.	R5 000 pm
3	A penalty of R10.000 pm will be charged for the failure to complete building work within twenty-four (24) months after building work has commenced.	R10 000 pm
4	R5 000 once-off fine for commencing building activities prior to official approval, either by the Home Owners' Association or the Local Authority. Thereafter, R1 000 per week for continuance of the illegal building activities.	R 5000 R1 000 pw
5	R1 000 per week where a water-borne or chemical WC is not installed on a building site, or where temporary consent dispensation has been granted by the Home Owners' Association.	R1 000 pw
6	R1 000 per week where an approved water connection has not been installed and where the Home Owners' Association shall also report the illegal activity to Council who operate a separate and expensive system of fines.	R 1000 pw
7	Where works commence and building progress is recorded as having ceased to all intent and purpose (stop-start), the Owner shall be issued with a warning notice to recommence and failure to comply within a further seven days, will result in a penalty double the value of the monthly levy should the building period be transgressed.	Double monthly levy
8	R2 000 per incident or per week for illegal dumping if not immediately removed.	R2 000
9	A once-off fine of R5 000 for deviation from the approved building plans, will apply.	R5 000
10	A monthly fine of R5 000 for non-rectification of any illegal deviation will apply.	R5 000
11	R5 000 plus immediate dismissal from the estate, plus full reimbursement/repair by the contractor should the employee or sub-contractor be caught stealing material or damaging any property.	R5 000 plus damages



12	R5 000 for damages to services.	R5 000
13	R1 000 per individual offence where the owner, building contractor, sub-contractors or suppliers refuse to comply with the access control protocols of the estate, including the escorting of workers to the gates	R1 000
14	R5 000 For any use of prohibited building material. A monthly fine of R5 000 for non- rectification of use of prohibited building material.	R5 000
15	R500 for failing to clean the access area after trucks have offloaded.	R500
16	R500 for not keeping the road and pavement clean and tidy.	R500
17	R2 000 for stealing water or electricity from another site.	R2 000
18	R2 000 per incident where builder's sheds, materials, plant, or equipment, are dumped, placed, or stored on the sidewalks of the complex roads, adjacent vacant stands, or in any area of public open space.	R2 000
19	Should a stand not be cleaned / building site properly maintained, the owner will be provided with a request to correct this, failure which will lead to the HOA cleaning it on behalf of the owner and adding the costs to their levy account.	Actual costs
20	R500 for the first reported incident where work continues after the approved hours of construction and R1 000 for every subsequent incident.	R500 R1 000
21	R300 per staff member for leaving the site after building times.	R300 per staff member
22	R250 per incident where labourers of contractors are found wandering around the Estate; furthermore, if your Builder is not on the site that access was granted to, he/she will be asked to leave the Estate immediately and will be banned from the Estate never to return again.	R250
23	R5 000 for premature and unapproved occupation of a complete or semi-complete dwelling without obtaining an Aesthetic (ORBiC) and Occupation Certificate (COUNCIL). In the event where you move in without the permission of the HOA or obtaining the necessary certificates an Eviction order will be obtained. All legal cost will be for the account of the Owner.	R5 000
24	Should occupation occur of any dwelling without the prior consent of the Board, the owner will automatically forfeit the damages deposit and should this sum be required to repair or replace damaged property within the complex incurred as a result of building activities on the owners' property, then a separate fine of R5 000 shall be imposed.	R5 000



25	Persistent infringement of the rules will result in the building site being closed until a "good behaviour" deposit of R10 000.00 is paid.	R10 000
26	R2.500 per month for failure to comply with a notice from the HOA regarding the exterior upkeep of your property (such as, but not limited to painting, replacement of plaster, removal of unsightly building materials etc.) within the maximum period of six (6) months.	R2 500
27	A penalty equal to double the value of the monthly Estate levy will be charged monthly for exterior renovations not approved by the HOA	Double levy
28	R 250 per worker for unsupervised work on the working site in question at all times whilst on the Estate	R250 per worker