



FUNSEEKERS INTERNATIONAL

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Type of entity	Vacation ownership club
Trustees	I Jansen van Rensburg N Haarhoff HF Grobler P van Vuuren A Tilke D Blom B Palmer C Weilbach J Zietsman
Registered office	24 Mentz Avenue Bela Bela 0480
Business address	Bosveld Mall 26 Potgieter Road Bela Bela 0480
Postal address	P O Box 22 Bela Bela 0480
Auditors	Tjaart Oosthuizen & Co Inc. Chartered Accountants (SA) Registered Auditors 24 Mentz Avenue Bela Bela 0480 P O Box 536 Bela Bela 0480
Tax reference number	9204/830/16/1
Preparer	The annual financial statements were independently compiled by: NPT Accountants Professional Accountants (SA)

Funseekers International
Annual Financial Statements for the year ended 31 December 2019

CONTENTS

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

	Page
Trustees' Responsibilities and Approval	3
Independent Auditor's Report	4 - 5
Practitioner's Compilation Report	6 - 5
Trustees' Report	6 - 7
Statement of Financial Position	8
Statement of Income and Retained Earnings	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Annual Financial Statements	13 - 16
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	17
Tax Computation	18

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

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 club 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 auditors are engaged to express an independent opinion on the annual financial statements.

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 club and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of 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 club and all employees are required to maintain the highest ethical standards in ensuring the club's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the club is on identifying, assessing, managing and monitoring all known forms of risk across the club. While operating risk cannot be fully eliminated, the club 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 club's cash flow forecast for the year to 31 December 2020 and, in the light of this review and the current financial position, they are satisfied that the club has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The annual financial statements set out on pages 6 to 18, which have been prepared on the going concern basis, were approved by the board of trustees on 31 August 2020 and were signed on its behalf by:

I Jansen van Rensburg

HF Grobler



TJAART OOSTHUIZEN & CO INC.

Geoktrooieerde Rekenmeesters (SA) / Chartered Accountants (SA)
Ouditeure / Auditors



INDEPENDENT AUDITOR'S REPORT

To the members of Funseekers International

Opinion

We have audited the annual financial statements of Funseekers International set out on pages 8 to 16, which comprise the statement of financial position as at 31 December 2019, and the statement of income and retained earnings, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Funseekers International as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the club in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The trustees are responsible for the other information. The other information comprises the Trustees' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the trustees for the Annual Financial Statements

The trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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.

In preparing the annual financial statements, the trustees are responsible for assessing the club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the club or to cease operations, or have no realistic alternative but to do so.

Tjaart Oosthuizen Director
BCompt (Hons), CA (SA)

Tjaart Oosthuizen II Director
BCompt (Hons), MCom(Taxation) (Cum Laude), CA (SA)

Reg no: 2017/315844/07 • **Practice:** 964077 • **VAT no:** 4940281621

Tel: 014 736 2009 • **Email:** admin@integritus.co.za • **Web:** www.integritus.co.za

Postal address: P.O. Box 536, Bela-Bela, 0480 • **Physical address:** 24 Mentz Ave, Bela-Bela, 0480



TJAART OOSTHUIZEN & CO INC.

Geoktrooieerde Rekenmeesters (SA) / Chartered Accountants (SA)
Ouditeure / Auditors



INDEPENDENT AUDITOR'S REPORT

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tjaart Oosthuizen & Co Inc.
Tjaart Oosthuizen
Director
Chartered Accountants (SA)
Registered Auditors

31 August 2020

24 Mentz Avenue
Bela Bela
0480

Tjaart Oosthuizen Director
BCompt (Hons), CA (SA)

Tjaart Oosthuizen II Director
BCompt (Hons), MCom(Taxation) (Cum Laude), CA (SA)

Reg no: 2017/315844/07 • **Practice:** 964077 • **VAT no:** 4940281621

Tel: 014 736 2009 • **Email:** admin@integritus.co.za • **Web:** www.integritus.co.za

Postal address: P.O. Box 536, Bela-Bela, 0480 • **Physical address:** 24 Mentz Ave, Bela-Bela, 0480

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

TRUSTEES' REPORT

The trustees have pleasure in submitting their report on the annual financial statements of Funseekers International for the year ended 31 December 2019.

1. NATURE OF BUSINESS

Funseekers International was formed in South Africa with interests in the holiday club industry. The club operates in mainly South Africa.

The club operates as a vacation ownership club on a holiday points system in respect of property the club owns. Holidays are provided using the club's own holiday properties, swapping with other organisations and using various vacation ownership exchange systems. The club operates principally in South Africa. The club commenced with the sale of points in June 2000. Having launched modestly with the marketing taking place predominantly from the base at the Gold Crown Resort, Sondela Nature Reserve, the club ended the year with 97 Tanzanite members, 1 216 Diamond members, 230 Gold members and 385 members which have a combination of Diamond and Gold points, 73 Fractional members and 310 Exclusive use members with a total of 2 311 members, of which 59 members are delinquent. The club handles all the reservations on behalf of members. The satisfaction of members' needs for holidays in South Africa have been extremely successful. The club has utilized its own holiday properties, together with the facilities of other timeshare organisations and the facilities of RCI and i-Exchange. The flagship of the club is Sondela Nature Reserve in Bela Bela which has assisted our club in obtaining the holiday accommodation the members require. The booking of international holidays have been done by RCI South Africa.

The operating results and state of affairs of the club are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

The surplus of the club was R35 480 after taxation of R- (2018: surplus R100 286, taxation R462)

There have been no material changes to the nature of the club's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities. The accounting policies have been applied consistently compared to the prior year.

3. GOING CONCERN

The trustees believe that the club has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the club is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the club. The trustees 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 club.

4. EVENTS AFTER THE REPORTING PERIOD

The COVID-19 pandemic and the subsequent national lockdown imposed by the South African government from 27 March 2020, may have an effect on some of the members' ability to service their levy payments and there is no indication of when the lockdown will be lifted for the holiday sector. The impact of the lockdown on the economy has also reduced income streams unrelated to tourism and hospitality for many of the members which may also have an impact on their ability to service levy payments. We took immediate steps to mitigate the financial damage caused by the lockdown, including placing staff on leave, claiming the relief measures provided by the Government and reducing all unnecessary costs.

The situation is carefully monitored by the trustees and currently does not cast any doubt on the club's ability to continue as a going concern for the foreseeable future. Forecasts show that, due to the savings in operational costs and many members pre-paying their 2020 levy, the club would be able to end 2020 with a surplus which will assist the club in mitigating the adverse effect of the lockdown.

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

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

TRUSTEES' REPORT

5. CORPORATE GOVERNANCE

The trustees are committed to the principles of good governance and are applying the recommendations of King IV as far as practical.

6. TRUSTEES

The trustees in office at the date of this report are as follows:

Trustees

I Jansen van Rensburg
N Haarhoff
HF Grobler
P van Vuuren
A Tilke
D Blom
B Palmer
C Weilbach
J Zietsman

7. MANAGEMENT AGENTS

The affairs of the club are being managed by Adinvale (Pty) Ltd from their offices in Bela Bela. The management includes the arranging of member's holidays, collecting member's annual subscriptions, paying the levies to various resorts, managing properties owned outright by the club and normal daily affairs.

8. AUDITORS

Tjaart Oosthuizen & Co Inc. continued in office as auditors for the club for 2019.

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note(s)	2019 R	2018 R
Assets			
Non-Current Assets			
Property, plant and equipment	3	98,323	114,737
Holiday properties	2	51,449,581	62,520,401
Financial assets	4	439,128	439,128
		<u>51,987,032</u>	<u>63,074,266</u>
Current Assets			
Inventories		23,814	23,868
Trade and other receivables	5	5,639,434	5,338,954
Cash and cash equivalents	6	1,406,835	1,543,952
		<u>7,070,083</u>	<u>6,906,774</u>
Total Assets		<u>59,057,115</u>	<u>69,981,040</u>
Equity and Liabilities			
Equity			
Members' investment	7	51,449,581	62,520,401
Accumulated surplus		36,186	706
		<u>51,485,767</u>	<u>62,521,107</u>
Liabilities			
Current Liabilities			
Trade and other payables	8	7,549,192	7,437,777
Current tax payable		22,156	22,156
		<u>7,571,348</u>	<u>7,459,933</u>
Total Equity and Liabilities		<u>59,057,115</u>	<u>69,981,040</u>

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

STATEMENT OF INCOME AND RETAINED EARNINGS

	Note(s)	2019 R	2018 R
Revenue	9	16,568,345	17,528,719
Other income	10	104,534	49,413
Operating expenses		(16,672,659)	(17,529,238)
Operating surplus		220	48,894
Investment revenue	12	35,260	51,861
Finance costs		-	(7)
Surplus before taxation		35,480	100,748
Taxation	13	-	(462)
Surplus for the year		35,480	100,286
Opening balance		707	(99,580)
Accumulated surplus at the end of the year		36,187	706

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

STATEMENT OF CASH FLOWS

	Note(s)	2019 R	2018 R
Cash flows from operating activities			
Cash receipts from customers and owners		16,614,118	17,560,981
Cash paid to suppliers and employees		(16,769,820)	(17,482,103)
Cash (used in) generated from operations		(155,702)	78,878
Interest income		35,260	51,861
Finance costs		-	(7)
Net cash from operating activities		(120,442)	130,732
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(16,675)	(42,549)
Cash flows from financing activities			
Total cash movement for the year		(137,117)	88,183
Cash at the beginning of the year		1,543,952	1,455,771
Total cash at end of the year	6	1,406,835	1,543,954

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

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 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying accounting policies

Management are required to make critical judgements in applying accounting policies from time to time. The judgements, apart from those involving estimations, that have the most significant effect on the amounts recognised in the annual financial statements, are outlined as follows:

Key sources of estimation uncertainty

Impairment testing

The club reviews and tests the carrying value of property, plant and equipment and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

1.2 HOLIDAY PROPERTIES

Holiday properties are stock held in various holiday resorts, either by way of long term leases, time share held or points available for exchange, available for use by the members of the club.

Holiday properties is initially measured at cost and subsequently at fair value. If the fair value cannot be measured reliably without undue cost or effort, then it is measured at cost less accumulated depreciation and accumulated impairment.

The cost of holiday properties comprises its purchase price and any directly attributable costs.

The fair value is determined annually by the trustees from current market prices of comparable properties. The value of the properties has a direct correlation with the members' investment as holiday stock is cancelled and acquired according to the needs of members.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets which the club 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 club 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.

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

ACCOUNTING POLICIES

1.3 PROPERTY, PLANT AND EQUIPMENT (continued)

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 club.

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

Item	Depreciation method	Average useful life
Office equipment		6 years
IT equipment		3 years
Leasehold improvements		5 years

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.

1.4 FINANCIAL INSTRUMENTS

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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 cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.5 REVENUE

Revenue is recognised to the extent that the club has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the club. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2019
R

2018
R

2. HOLIDAY PROPERTIES

Reconciliation of holiday properties - 2019

	Opening balance	Decrease in holiday properties	Total
Holiday properties	62,520,401	(11,070,820)	51,449,581

Reconciliation of holiday properties - 2018

	Opening balance	Decrease in holiday properties	Total
Holiday properties	67,011,211	(4,490,810)	62,520,401

Registers with details of holiday properties are available for inspection by trustees or their duly authorised representatives at the registered office of the club.

3. PROPERTY, PLANT AND EQUIPMENT

	2019			2018		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Office equipment	100,672	(87,383)	13,289	100,672	(84,383)	16,289
IT equipment	98,445	(81,872)	16,573	81,771	(75,406)	6,365
Leasehold improvements	118,112	(49,651)	68,461	118,112	(26,029)	92,083
Total	317,229	(218,906)	98,323	300,555	(185,818)	114,737

Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Depreciation	Closing balance
Office equipment	16,289	-	(3,000)	13,289
IT equipment	6,365	16,675	(6,467)	16,573
Leasehold improvements	92,083	-	(23,622)	68,461
	114,737	16,675	(33,089)	98,323

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Depreciation	Closing balance
Office equipment	6,602	11,600	(1,913)	16,289
IT equipment	10,381	-	(4,016)	6,365
Leasehold improvements	83,223	30,949	(22,089)	92,083
	100,206	42,549	(28,018)	114,737

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019	2018
	R	R
4. FINANCIAL ASSETS		
Equity Instruments at cost		
Makhato 87 (Pty) Ltd	209,474	209,474
Makhato 89 (Pty) Ltd	221,789	221,789
Margate Sands (SS38)	7,865	7,865
	<u>439,128</u>	<u>439,128</u>
The equity instruments are shown at historical cost. No fair value adjustments are made		
Non-current assets		
Equity Instruments at cost	<u>439,128</u>	<u>439,128</u>
5. TRADE AND OTHER RECEIVABLES		
Trade receivables	4,839,861	4,745,905
Levies paid in advance	675,794	479,282
Sundry receivables	123,779	113,767
	<u>5,639,434</u>	<u>5,338,954</u>
6. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	1,781	1,527
Bank balances	121,657	208,173
Short-term deposits	1,283,397	1,334,252
	<u>1,406,835</u>	<u>1,543,952</u>
7. MEMBERS' INVESTMENT		
Capital account / Members' investments		
Balance at beginning of year	62,520,401	67,011,211
Decrease in members' investment	(11,070,820)	(4,490,810)
	<u>51,449,581</u>	<u>62,520,401</u>
8. TRADE AND OTHER PAYABLES		
Trade payables	246,197	257,225
Amounts received in advance	7,004,067	6,954,558
VAT	194,323	133,473
Sundry creditors	23,990	-
Accrued leave pay	80,615	92,521
	<u>7,549,192</u>	<u>7,437,777</u>

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019	2018
	R	R
9. REVENUE		
Subscription fees	14,523,590	15,527,454
Exclusive use subscription fees	2,044,755	2,001,265
	<u>16,568,345</u>	<u>17,528,719</u>
10. OTHER INCOME		
Other income	<u>104,534</u>	<u>49,413</u>
11. EMPLOYEE COST		
Employee costs		
Basic	<u>2,972,982</u>	<u>3,260,820</u>
12. INVESTMENT REVENUE		
Interest revenue		
Bank	<u>35,260</u>	<u>51,861</u>
13. TAXATION		
Major components of the tax expense		
Current taxation		
South African normal tax - year	<u>-</u>	<u>462</u>

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2019	2018
R	R

14. RELATED PARTIES

Relationships

Related through key members of management

Sondela Share Block Ltd
Ridgeville Investments 1031 (Pty) Ltd
Adinvale (Pty) Ltd
Adinvale Farming Estate (Pty) Ltd
TVGC

Members of key management

Refer to trustee's report

Related party balances and transactions with other related parties

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

Adinvale (Pty) Ltd	-	144,884
Sondela Share Block Ltd	56,018	672,945
Adinvale Farming Estate (Pty) Ltd	-	36,704
TVGC	-	622,206

Related party transactions

Administration fees paid to (received from) related parties

Adinvale (Pty) Ltd	3,235,870	3,227,820
--------------------	-----------	-----------

Levies paid to related parties

Sondela Share Block Ltd	2,607,078	2,847,159
Ridgeville Investments 1031 (Pty) Ltd	3,161,623	2,984,009
Adinvale Farming Estate (Pty) Ltd	926,436	903,968

Funseekers International

Annual Financial Statements for the year ended 31 December 2019

DETAILED INCOME STATEMENT

	Note(s)	2019 R	2018 R
Revenue			
Subscription fees		14,523,590	15,527,454
Exclusive use subscription fees		2,044,755	2,001,265
	9	<u>16,568,345</u>	<u>17,528,719</u>
Cost of sales			
		-	-
Other income			
Other income		104,534	49,413
Interest received	12	35,260	51,861
		<u>139,794</u>	<u>101,274</u>
Operating expenses			
Administration and management fees		3,235,870	3,227,820
Advertising		-	6,942
Auditors remuneration		32,580	35,474
Bad debts		388,994	1,389,619
Bank charges		34,079	36,782
Board meeting costs		16,725	20,924
Caravan expenses		172,327	180,659
Computer expenses		204,869	212,726
Debt collection		197,146	208,487
Depreciation, amortisation and impairments		33,089	28,018
Discount allowed		425,966	458,301
Employee costs		2,972,982	3,260,820
Entertainment		29,392	57,851
Exchange fees		859,456	1,236,649
Insurance		7,993	7,993
Legal expenses		1,500	3,250
Levies paid - exclusive use resorts		1,870,596	1,806,897
Levies paid - other resorts		5,735,378	4,915,828
Printing and stationery		22,790	38,715
Rent and electricity		176,844	170,753
Repairs and maintenance		11,404	5,443
Subscriptions		86,963	72,373
Telephone and fax		33,326	33,843
Travel - local		114,845	102,347
Workmens' compensation		7,545	10,724
		<u>16,672,659</u>	<u>17,529,238</u>
Operating surplus			
		35,480	100,755
Finance costs		-	(7)
Surplus before taxation			
		35,480	100,748
Taxation	13	-	(462)
Surplus for the year			
		<u>35,480</u>	<u>100,286</u>

Funseekers International

(Tax registration number 9204/830/16/1)

Annual Financial Statements for the year ended 31 December 2015

TAX COMPUTATION

	2019 R
Net surplus per income statement	35,480
PERMANENT DIFFERENCES	
Section 10(1)(e) exemption	<u>(35,480)</u>
TEMPORARY DIFFERENCES	
Interest received	35,260
Minus: Allowable deductions (Audit fees: R69) (Bank charges: R72)	(141)
Minus: Section 10(1)(e)(i) exemption - limited to R50 000	<u>(35,119)</u>
	<u>-</u>
Tax thereon @ 28% in the Rand	<u>Nil</u>
Reconciliation of tax balance	
Amount owing at the beginning of year	<u>22,156</u>
Tax owing/(prepaid) for the current year:	
Amount owing/(prepaid) at the end of year	<u>22,156</u>