

**OFF BEAT HOLIDAY CLUB**  
(Registration number 010-474 NPO)  
Financial statements  
for the year ended 31 March 2016



GR (SA) / CA (SA)

36 Lebombo Road  
Ashlea Gardens  
MENLO PARK  
PRETORIA 0081

P.O. BOX / POSBUS 35788  
MENLO PARK 0102



*Gregory, Butt & Marx*

Chartered Accountants (SA)  
Geoktrooierde Rekenmeesters (SA)

Registered Accountants and Auditors  
Geregistreerde Rekenmeesters en  
Ouditeure



Tel: (012) 346 4703 / (012)346 5826  
Fax / Faks: (012) 480 7728

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## General Information

---

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Providing timeshare rental for members of SAPS
<b>Committee members</b>	M. Chetty R.B. Brandt G. Pillay T.A. Mashigo W.H. Steyn S.J. Hankins
<b>Registered office</b>	Eulophia Corner 2 Quintin Brand Street Persequor Park 0020
<b>Business address</b>	Eulophia Corner 2 Quintin Brand Street Persequor Park 0020
<b>Postal address</b>	P.O. Box 183 Persequor Park Pretoria 0020
<b>Bankers</b>	ABSA Limited
<b>Auditor's</b>	Gregory, Butt & Marx Chartered Accountants (S.A.) Registered Auditors
<b>Secretary</b>	K. Kleynhans
<b>Registration number</b>	010-474 NPO
<b>Preparer</b>	The financial statements were independently compiled by: J.C. Scheepers Professional Accountant (SA)
<b>Issued</b>	22 June 2016

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Index

---

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

<b>Index</b>	<b>Page</b>
Audit Committee Report	3
Committee Members' Responsibilities and Approval	4
Independent Auditor's Report	5
Committee Members' Report	6
Statement of Financial Position	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 13
Notes to the Financial Statements	14 - 19
The following supplementary information does not form part of the financial statements and is unaudited:	
Detailed Income Statement	20 - 21

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Audit Committee Report

---

### 1. Members of the Audit Committee

The members of the audit committee are all independent non-executive members of club and include:

**Name**

D. Bouwer

W.H. Steyn

T.A. Mashigo

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act 71 of 2008 and Regulation 42 of the Companies Regulation, 2011

### 2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act 71 of 2008 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor's.

### 3. External auditor

The committee satisfied itself through enquiry that the external auditor's is independent as defined by the Companies Act 71 of 2008 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditor's that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

### 4. Financial statements

Following the review of the financial statements the audit committee recommend board approval thereof.

On behalf of the audit committee



**D. Bouwer**  
**Chairman Audit Committee**  
**Pretoria**  
**22 June 2016**

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Committee Members' Responsibilities and Approval

---

The board of committee members 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 committee members on the board 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 committee members to meet these responsibilities, the committee members set 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 committee members 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 committee members have reviewed the club's cash flow forecast for the year to 31 March 2017 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 auditor's are responsible for independently auditing and reporting on the club's financial statements. The financial statements have been examined by the club's external auditor's and their report is presented on page 5.

The financial statements set out on pages 6 to 21, which have been prepared on the going concern basis, were approved by the board of committee members on 22 June 2016 and were signed on its behalf by:

  
PP M. Chetty  
22 June 2016

## Independent Auditor's Report

### To the committee members of OFFBEAT HOLIDAY CLUB

We have audited the financial statements of OFF BEAT HOLIDAY CLUB, as set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Management Committee Members' Responsibility for the Financial Statements

The club's committee members 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 committee members 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 OFF BEAT HOLIDAY CLUB as at 31 March 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.

### Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 20 to 21 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.



Gregory, Butt & Marx  
Registered Auditors

Per: L.T. Gregory  
Chartered Accountant (S.A.)  
Registered Auditor (RA no. 349402)

22 June 2016

36 Lebombo Road  
Ashlea Gardens  
Pretoria  
0081



# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Committee Members' Report

---

The board of committee members have pleasure in submitting their report on the financial statements of OFF BEAT HOLIDAY CLUB for the year ended 31 March 2016.

### 1. Nature of business

The club is engaged in providing timeshare rental for members of SAPS and operates principally in South Africa.

The main objective of the club is to acquire timeshare weeks from a variety of holiday resorts, in order to allow members of the club access to affordable holidays.

The secondary objective of the club is to trade in holiday weeks with the view on enhancing the quality of the timeshare stock.

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 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 club are set out in these financial statements.

### 3. Committee members

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

<b>Committee members</b>	<b>Nationality</b>
M. Chetty	South African
R.B. Brandt	South African
G. Pillay	South African
T.A. Mashigo	South African
W.H. Steyn	South African
S.J. Hankins	South African

### 4. Events after the reporting period

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

### 5. Auditors

Gregory, Butt & Marx continued in office as auditors for the club for 2016.

### 6. Secretary

The company secretary is K. Kleynhans.

Postal address

P.O. Box 183  
Presequor Park  
Pretoria  
0020

Business address

Eulophia Corner  
2 Quintin Brand Street  
Presequor Park  
Pretoria  
0020

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Statement of Financial Position as at 31 March 2016

Figures in Rand	Note(s)	2016	2015
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	693 592	849 321
Investment property	2	5 828 021	-
Investment in associate	4	100	100
Loan to associate	5	4 772 673	10 617 517
Other financial assets	6	3 565 884	2 513 665
Timeshare investment	7	173 311 955	164 219 945
		<b>188 172 225</b>	<b>178 200 548</b>
<b>Current Assets</b>			
Trade and other receivables	8	563 666	472 738
Cash and cash equivalents	9	1 606 745	1 360 598
		<b>2 170 411</b>	<b>1 833 336</b>
<b>Total Assets</b>		<b>190 342 636</b>	<b>180 033 884</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		189 676 094	179 085 570
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	394 145	360 313
Provisions	10	265 430	583 916
Bank overdraft	9	6 967	4 085
		<b>666 542</b>	<b>948 314</b>
<b>Total Equity and Liabilities</b>		<b>190 342 636</b>	<b>180 033 884</b>



# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Revenue	12	8 549 791	8 002 843
Other income		259 326	33 070
Operating expenses		(5 138 638)	(5 892 206)
<b>Operating profit</b>		<b>3 670 479</b>	<b>2 143 707</b>
Investment revenue	13	646 132	911 794
Fair value adjustments	14	6 274 269	10 494 661
Finance costs	15	(356)	(451)
<b>Profit for the year</b>		<b>10 590 524</b>	<b>13 549 711</b>
Other comprehensive income			-
<b>Total comprehensive income for the year</b>		<b>10 590 524</b>	<b>13 549 711</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
<b>Balance at 01 April 2014</b>	<b>165 535 859</b>	<b>165 535 859</b>
Profit for the year	13 549 711	13 549 711
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>13 549 711</b>	<b>13 549 711</b>
<b>Balance at 01 April 2015</b>	<b>179 085 570</b>	<b>179 085 570</b>
Profit for the year	10 590 524	10 590 524
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>10 590 524</b>	<b>10 590 524</b>
<b>Balance at 31 March 2016</b>	<b>189 676 094</b>	<b>189 676 094</b>

Note(s)

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
<b>Cash flows from operating activities</b>			
Cash receipts from members		8 549 791	8 002 843
Cash paid to suppliers and employees		(5 035 666)	(6 665 934)
Cash generated from operations	17	3 514 125	1 336 909
Interest income		629 302	904 766
Dividends received		16 830	7 028
Finance costs		(356)	(451)
<b>Net cash from operating activities</b>		<b>4 159 901</b>	<b>2 248 252</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(63 500)	(341 638)
Purchase of investment property	2	(5 828 021)	-
Loans to associates repaid		5 844 845	-
Loans advanced to associates		-	(97 385)
Purchase of financial assets		(860 000)	-
Sale of financial assets		-	9 488 351
Purchase of timeshare investment		(2 913 000)	(1 065 000)
Fair value adjustment of timeshare investment		(6 179 010)	(10 463 695)
<b>Net cash from investing activities</b>		<b>(3 916 637)</b>	<b>(2 479 367)</b>
<b>Total cash movement for the year</b>		<b>243 264</b>	<b>(231 115)</b>
Cash at the beginning of the year		1 356 514	1 587 628
<b>Total cash at end of the year</b>	9	<b>1 599 778</b>	<b>1 356 513</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Accounting Policies

---

### 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 are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs 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, which is as follows:

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

---

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years
Paintings	Straight line	25 years

The residual value, depreciation method and useful life of each asset are reviewed at each higher (lower) if there are indicators present that there has been a significant change from the previous estimate.

#### 1.2 Investments in associates

Investments in associates are accounted for using the equity method.

#### 1.3 Financial instruments

##### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Accounting Policies

---

### 1.3 Financial Instruments (continued)

#### 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 profit or loss.

#### Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

#### Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through profit and loss.

### 1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

#### Operating leases - lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

#### Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

### 1.5 Impairment of assets

The club 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.

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Accounting Policies

---

### 1.6 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.

### 1.7 Revenue

Revenue is recognised to the extent that the company 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 company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

### 1.8 Borrowing costs

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

### 1.9 Timeshare Investment

Timeshare investment are carried at current market value as at year end.

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand

2016

2015

### 2. Investment property

#### Reconciliation of investment property - 2016

	Opening balance	Additions	Additions resulting from capitalised subsequent expenditure	Total
Investment property	-	5 793 652	34 369	5 828 021

#### Details of property

##### Unit 11, Eulophia Corner, Sectional Scheme nr 378, Persequor, Pretoria

Title deed nr ST43878/2015

- Purchase price: 20 May 2015

- Capitalised expenditure

5 793 652

34 369

**5 828 021**

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

### 3. Property, plant and equipment

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	683 698	(350 273)	333 425	683 698	(254 482)	429 216
Motor vehicles	298 276	(149 138)	149 138	298 276	(89 483)	208 793
Office equipment	65 148	(19 001)	46 147	65 148	(8 143)	57 005
IT equipment	176 463	(172 675)	3 788	176 463	(125 889)	50 574
Paintings	169 350	(8 256)	161 094	105 850	(2 117)	103 733
<b>Total</b>	<b>1 392 935</b>	<b>(699 343)</b>	<b>693 592</b>	<b>1 329 435</b>	<b>(480 114)</b>	<b>849 321</b>

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

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	429 216	-	(95 791)	333 425
Motor vehicles	208 793	-	(59 655)	149 138
Office equipment	57 005	-	(10 858)	46 147
IT equipment	50 574	-	(46 786)	3 788
Paintings	103 733	63 500	(6 139)	161 094
	<b>849 321</b>	<b>63 500</b>	<b>(219 229)</b>	<b>693 592</b>

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

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	333 293	170 640	(74 717)	429 216
Motor vehicles	268 448	-	(59 655)	208 793
Office equipment	-	65 148	(8 143)	57 005
IT equipment	109 395	-	(58 821)	50 574
Paintings	-	105 850	(2 117)	103 733
	<b>711 136</b>	<b>341 638</b>	<b>(203 453)</b>	<b>849 321</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand 2016 2015

### 4. Investment in associate

Name of associate	% holding 2016	% holding 2015	Carrying amount 2016	Carrying amount 2015
Eulophia Properties (Pty) Ltd	100.00 %	100.00 %	100	100

The entity is incorporated in South Africa and share the year end of the organisation.

### 5. Loan to associate

#### Associate

Eulophia Properties (Pty) Ltd	4 772 673	10 617 517
This loan is secured, bears interest at prime less 1% and is repayable in 20 annual payments of R 568 000.		

### 6. Other financial assets

#### At fair value

Allan Gray Unit Trust Balanced Fund	-	767 984
Allan Gray Investment Platform Unit Trust PSG Wealth Income Fund, PSG Wealth Moderate Fund and PSG Wealth Preserver Fund.	3 376 397	1 556 194
	<b>3 376 397</b>	<b>2 324 178</b>

#### At amortised cost

SARS - PAYE overpayment	189 487	189 487
<b>Total other financial assets</b>	<b>3 565 884</b>	<b>2 513 665</b>

#### Non-current assets

At fair value	3 376 397	2 324 178
At amortised cost	189 487	189 487
	<b>3 565 884</b>	<b>2 513 665</b>

### Details of investments

#### At fair value

Allan Gray Balanced Fund - 8 612.43 units @ 8 917.15 cents per unit	-	767 984
Allan Gray Stable Fund - 4 201.35 units @ 3 009.01 cents per unit	-	126 419
Coronation Strategic Income - 60 308.68 units @ 1 520.78 cents per unit	-	917 163
Investec Diversified Income Fund - 100 459.69 units @ 116.63 cents per unit	-	117 166
Investec Value Fund - 24 169.14 units @ 1 105.33 cents per unit	-	267 149
Nedgroup Investments Stable Fund - 76 281.15 units @ 168.19 cents per unit	-	128 297
PSG Wealth Income Fund - 81 577.04 units @ 1 194.42 cents per unit	974 372	-
PSG Wealth Moderate Fund - 3 234.06 units @ 2 859.74 cents per unit	92 486	-
PSG Wealth Preserver Fund - 114 325.71 units @ 2 020.14 cents per unit	2 309 539	-
	<b>3 376 397</b>	<b>2 324 178</b>



# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand 2016 2015

### 7. Timeshare investment

Opening balance	164 219 945	152 691 250
Purchases	2 913 000	1 065 000
Fair value adjustment	6 179 010	10 463 695
	<u>173 311 955</u>	<u>164 219 945</u>

Timeshare investment is measured at the current market value as valued by Club Leisure Group. As per valuation certificate dated, 17 May 2016.

### 8. Trade and other receivables

Sun Vacation Club	163 666	72 738
Timeshare levies pre-payments	400 000	400 000
	<u>563 666</u>	<u>472 738</u>

### 9. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	779	866
Bank balances	1 605 966	1 359 732
Bank overdraft	(6 967)	(4 085)
	<u>1 599 778</u>	<u>1 356 513</u>
Current assets	1 606 745	1 360 598
Current liabilities	(6 967)	(4 085)
	<u>1 599 778</u>	<u>1 356 513</u>

### 10. Provisions

#### Reconciliation of provisions - 2016

	Opening balance	Utilised during the year	Forfeited during the year	Total
Provision for leave pay	583 916	(192 986)	(125 500)	265 430

#### Reconciliation of provisions - 2015

	Opening balance	Additions	Total
Provision for leave pay	422 935	160 981	583 916

Leave pay provision is calculated using employee daily rate and multiplying it with days leave owed to employee as at year end date.

### 11. Trade and other payables

Sun Vacation Club	184 604	94 674
SARS - PAYE	35 772	28 579
Other payables	43 864	-
Accrued admin fees	129 905	237 060
	<u>394 145</u>	<u>360 313</u>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand	2016	2015
<b>12. Revenue</b>		
Membership fees	8 549 791	8 002 843
<b>13. Investment revenue</b>		
<b>Dividend revenue</b>		
Allan Gray - Local	14 732	6 655
Allan Gray - Foreign	2 098	373
	<b>16 830</b>	<b>7 028</b>
<b>Interest revenue</b>		
Allan Gray	127 118	55 904
Bank	3 376	1 477
Loan - Eulophia Properties (Pty) Ltd	498 808	847 385
	<b>629 302</b>	<b>904 766</b>
	<b>646 132</b>	<b>911 794</b>
<b>14. Fair value adjustments</b>		
Other financial assets	95 259	30 966
Timeshare investment	6 179 010	10 463 695
	<b>6 274 269</b>	<b>10 494 661</b>
<b>15. Finance costs</b>		
Bank	356	451
<b>16. Auditor's remuneration</b>		
Fees	29 657	30 929
<b>17. Cash generated from operations</b>		
Profit before taxation	10 590 524	13 549 711
<b>Adjustments for:</b>		
Depreciation and amortisation	219 229	203 453
Dividends received	(16 830)	(7 028)
Interest received - investment	(629 302)	(904 766)
Finance costs	356	451
Fair value adjustments	(6 274 269)	(10 494 661)
Movements in provisions	(318 486)	160 981
<b>Changes in working capital:</b>		
Trade and other receivables	(90 928)	(12 723)
Trade and other payables	33 831	(1 158 509)
	<b>3 514 125</b>	<b>1 336 909</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand	2016	2015
<b>18. Related parties</b>		
<b>Relationships</b>		
Administration company to Off Beat Holiday Club		Club Leisure Group
Subsidiaries		Refer to note 4
<b>Related party balances and transactions with entities over which the company has control, joint control or significant influence</b>		
<b>Related party balances</b>		
<b>Loan accounts - Owing (to) by related parties</b>		
Eulophia Properties (Pty) Ltd	4 772 673	10 617 517
<b>Related party transactions</b>		
<b>Interest paid to (received from) related parties</b>		
Eulophia Properties (Pty) Ltd	(498 808)	(847 385)
<b>Rent paid to (received from) related parties</b>		
Eulophia Properties (Pty) Ltd	206 606	711 476

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Notes to the Financial Statements

Figures in Rand

2016

2015

### 19. Committee members' emoluments

#### Executive

##### 2016

	<b>Emoluments</b>	<b>Total</b>
G. Pillay	912 876	912 876

##### 2015

	<b>Emoluments</b>	<b>Total</b>
G. Pillay	739 011	739 011

#### Non-executive

##### 2016

	<b>Emoluments</b>	<b>Total</b>
M. Chetty	198 173	198 173
R.B. Brandt	106 325	106 325
G. Pillay	111 270	111 270
T.A. Mashigo	91 489	91 489
W.H. Steyn	91 489	91 489
S.J. Hankins	89 016	89 016
	<b>687 762</b>	<b>687 762</b>

##### 2015

	<b>Emoluments</b>	<b>Total</b>
M. Chetty	146 939	146 939
R.B. Brandt	80 922	80 922
G. Pillay	134 873	134 873
T.A. Mashigo	89 531	89 531
A.L. Mofomme	60 691	60 691
W.H. Steyn	94 411	94 411
S.J. Hankins	26 974	26 974
	<b>634 341</b>	<b>634 341</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Revenue</b>			
Membership fees		8 549 791	8 002 843
<b>Other income</b>			
Discount received		209 025	
Other income		50 301	33 070
Dividends received	13	16 830	7 028
Interest received	13	629 302	904 766
Fair value adjustments	14	6 274 269	10 494 661
		<b>7 179 727</b>	<b>11 439 525</b>
<b>Expenses (Refer to page 21)</b>			
		<b>(5 138 639)</b>	<b>(5 892 206)</b>
<b>Operating profit</b>			
		<b>10 590 879</b>	<b>13 550 162</b>
Finance costs	15	(356)	(451)
<b>Profit for the year</b>			
		<b>10 590 523</b>	<b>13 549 711</b>

# OFF BEAT HOLIDAY CLUB

(Registration number 010-474 NPO)

Financial Statements for the year ended 31 March 2016

## Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Operating expenses</b>			
AGM expenses		(112 278)	(104 196)
Accounting fees		-	(35 143)
Administration and management fees		(1 399 882)	(1 327 000)
Advertising		(47 758)	(43 400)
Auditors remuneration	16	(29 657)	(30 929)
Bank charges		(15 613)	(17 404)
Committee members' emoluments		(1 600 638)	(1 373 352)
Computer expenses		(20 812)	(8 609)
Conference equipment		(3 308)	(9 986)
Depreciation, amortisation and impairments		(219 229)	(203 453)
Donations		-	(8 400)
Employee costs		(789 967)	(993 955)
Entertainment		(45 188)	(48 637)
Financial training		(14 364)	(13 680)
General expenses		(6 291)	(19 573)
Gifts		(31 813)	(25 676)
Honorariums		(111 016)	(163 898)
Insurance		(34 881)	(33 978)
Lease rentals on operating lease		(244 002)	(726 737)
Motor vehicle expenses		(22 212)	(22 420)
Municipal expenses		(99 503)	(47 642)
Postage		(1 289)	(1 332)
Printing and stationery		(13 960)	(16 966)
Repairs and maintenance		(14 574)	(627)
Security		(14 405)	(9 304)
Staff welfare		(34 077)	(15 156)
Subscriptions		(20 624)	(16 490)
Telephone and fax		(77 180)	(76 500)
Travel - local		(114 118)	(179 595)
Travel - overseas		-	(318 168)
		<b>(5 138 639)</b>	<b>(5 892 206)</b>