

Gamtoos Water User Association

Financial Statements
for the year ended 30 June 2025

These financial statements were prepared by:
WG Melville
Chartered Accountant (S.A.)

These financial statements have been audited in compliance with the applicable requirements of the Water Act.
Issued 18 September 2025

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Management and storage of water
Members	A Bain (chairperson) PNJ le Roux (vice chairperson) SG Ferreira M Meyer KB Katoo C Opperman M Grootboom R Janse van Rensburg B Lamprecht Q Bezuidenhout M Rautenbach B Hatting W Jansen van Vuuren C Kritzinger N Mgcina H Blaauw L Sawuti H Swanevelder W Coetzer C de Kock P du Plessis N Molisi
Business address	Gamtoos Water User Association Patensie 6335
Postal address	P.O. Box 237 Patensie 6335
Bankers	First National Bank Investec
Auditors	Moore Registered Auditors
Tax reference number	9340/011/60/1

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

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Gamtoos Water User Association

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Members' Responsibilities and Approval

The members are required by the Water Act, 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 association 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 IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The association is 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 members have reviewed the association's cash flow forecast for the year to 30 June 2026 and, in the light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the association's financial statements. The financial statements have been examined by the association's external auditors and their report is presented on pages 4 to 5.

The financial statements set out on pages 8 to 23, which have been prepared on the going concern basis, were approved by the association on 18 September 2025 and were signed on their behalf by:

A Bain (chairperson)

PNJ le Roux (vice chairperson)

Patensie

18 September 2025

Independent Auditor's Report

To the members of Gamtoos Water User Association

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Gamtoos Water User Association (the association) set out on pages 8 to 21, which comprise the statement of financial position as at 30 June 2025; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Gamtoos Water User Association as at 30 June 2025, and its financial performance and cash flows for the year then ended, in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Water Act.

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 Financial Statements section of our report. We are independent of the association 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 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the fact that the buildings are erected on land belonging to the government and cannot be recovered by way of disposal. Although these buildings are capitalised in the statement of financial position of the association, the recovery of economic benefits will only be through the use of these assets, except if a recovery of cost from the government could be accomplished.

Other Information

The members are responsible for the other information. The other information comprises the information which includes the Members' Report as required by the Water Act and the supplementary information as set out on pages 22 to 23. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Independent Auditor's Report

Responsibilities of the Members for the Financial Statements

The members are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Water Act, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the association'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 members either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 association'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 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 association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the members 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.

**Moore
J Barnard
Partner**

Registered Auditors

**18 September 2025
Humansdorp**

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Members' Report

The members have pleasure in submitting their report on the financial statements of Gamtoos Water User Association for the year ended 30 June 2025.

1. Review of financial results and activities

The financial statements have been prepared in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Water Act. 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 association are set out in these financial statements.

2. Members

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

Members

A Bain (chairperson)
PNJ le Roux (vice
chairperson)
SG Ferreira
M Meyer
KB Katoo
C Opperman
M Grootboom
R Janse van Rensburg
B Lamprecht
Q Bezuidenhout
M Rautenbach
B Hatting
W Jansen van Vuuren
C Kritzingen
N Mgcina
H Blaauw
L Sawuti
H Swanevelder
W Coetzer
C de Kock
P du Plessis
N Molisi

3. Events after the reporting period

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

4. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The members believe that the association 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 members have satisfied themselves that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The members are not aware of any new material changes that may adversely impact the association. The members 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 association.

5. Auditors

Moore continued in office as auditors for the association for 2025.

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Members' Report

6. Officials

R Colesky - Chief executive officer

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Statement of Financial Position as at 30 June 2025

Figures in Rand	Notes	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	12,285,612	12,461,948
Other financial assets	3	2,746,828	7,818,189
		15,032,440	20,280,137
Current Assets			
Other financial assets	3	6,116,883	175,000
Inventories	4	1,717,183	1,505,189
Trade and other receivables	5	14,982,879	13,518,992
Cash and cash equivalents	6	12,519,063	11,735,813
		35,336,008	26,934,994
Total Assets		50,368,448	47,215,131
Equity and Liabilities			
Equity			
Retained income		39,282,861	38,386,530
Liabilities			
Current Liabilities			
Trade and other payables	7	10,311,057	8,063,201
Provisions	8	774,530	765,400
		11,085,587	8,828,601
Total Equity and Liabilities		50,368,448	47,215,131

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Statement of Comprehensive Income

Figures in Rand	Notes	2025	2024
Revenue	9	41,884,340	39,640,666
Other income	10	4,628,684	1,675,020
Operating expenses		(47,870,636)	(44,283,242)
Operating loss	11	(1,357,612)	(2,967,556)
Investment revenue	12	1,815,722	1,994,888
Finance costs	13	(13)	(25)
Fair value adjustments	14	438,234	185,777
Profit (loss) for the year		896,331	(786,916)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		896,331	(786,916)

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Opening balance as previously reported	35,816,929	35,816,929
Adjustments		
Prior year adjustments	3,356,517	3,356,517
Balance at 01 July 2023 as restated	39,173,446	39,173,446
Loss for the year	(786,916)	(786,916)
Other comprehensive income	-	-
Total comprehensive loss for the year	(786,916)	(786,916)
Balance at 01 July 2024	38,386,530	38,386,530
Profit for the year	896,331	896,331
Other comprehensive income	-	-
Total comprehensive income for the year	896,331	896,331
Balance at 30 June 2025	39,282,861	39,282,861

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Statement of Cash Flows

Figures in Rand	Notes	2025	2024
Cash flows from operating activities			
Cash receipts from customers and operating activities		55,668,361	47,114,382
Cash paid to suppliers, employees and towards operating activities		(55,598,325)	(49,646,525)
Cash generated from (used in) operations	15	70,036	(2,532,143)
Interest income	12	1,400,943	1,583,687
Finance costs	13	(13)	(25)
Net cash from operating activities		1,470,966	(948,481)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(866,686)	(1,760,394)
Proceeds from sale of property, plant and equipment	2	233,970	714,272
Purchases of other financial assets		(55,000)	-
Net cash from investing activities		(687,716)	(1,046,122)
Total cash movement for the year		783,250	(1,994,603)
Cash and cash equivalents at the beginning of the year		11,735,813	13,730,416
Total cash at end of the year	6	12,519,063	11,735,813

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and the Water Act. The financial statements have been prepared on the historical cost basis, unless otherwise stated in the accounting policies which follow, and incorporate the principal accounting policies set out below. They are presented in South African Rands. Rounding is to the nearest R1.

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 did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The association reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the members determined that the useful lives of property, plant and equipment require reassessment.

The financial effect of this reassessment is treated as a prior period error. Refer to note 19:

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the association, and the cost of the item can be measured reliably.

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.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the association.

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

Item	Depreciation method	Average useful life
Buildings	Straight line	100 years (100% residual value)
Plant	Straight line	5 to 15 years
Motor vehicles	Straight line	20 to 35 years
Office equipment	Straight line	10 to 20 years
IT equipment	Straight line	10 years
Heavy vehicles and equipment	Straight line	20 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Accounting Policies

1.2 Property, plant and equipment (continued)

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Where 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 the components and they are depreciated separately over each component's useful life.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss 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 profit or loss when the item is derecognised.

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.

Financial instruments at amortised cost

These include cash and cash equivalents, loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.4 Tax

Tax expenses

The income of the association is exempt from income tax in terms of section 10(1)(t)(ix) of the Income Tax Act.

1.5 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the weighted average cost basis.

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Accounting Policies

1.6 Impairment of assets

The association assesses at each reporting date whether there is any indication that any assets 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.

1.7 Equity

Equity instruments issued by the association are recognised at the proceeds received, net of direct issue costs.

1.8 Provisions and contingencies

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

1.9 Revenue

Revenue is recognised to the extent that the association 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 association. 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.

Dividends are recognised, in profit or loss, when the association's right to receive payment has been established.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Accounting Policies

1.11 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.

1.12 Borrowing costs

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

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand

2025

2024

2. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	1,687,437	-	1,687,437	1,687,437	-	1,687,437
Plant	1,244,802	(345,653)	899,149	1,497,317	(552,133)	945,184
Motor vehicles	6,131,280	(1,342,149)	4,789,131	6,007,576	(1,221,887)	4,785,689
Office equipment	19,600	(2,447)	17,153	318,271	(251,577)	66,694
IT equipment	997,900	(224,319)	773,581	699,136	(162,529)	536,607
Heavy vehicles and equipment	7,137,239	(3,018,078)	4,119,161	7,137,239	(2,696,902)	4,440,337
Total	17,218,258	(4,932,646)	12,285,612	17,346,976	(4,885,028)	12,461,948

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Buildings	1,687,437	-	-	-	1,687,437
Plant	945,184	166,752	(149,302)	(63,485)	899,149
Motor vehicles	4,785,689	365,067	(127,408)	(234,217)	4,789,131
Office equipment	66,694	10,000	(58,307)	(1,234)	17,153
IT equipment	536,607	324,867	(7,371)	(80,522)	773,581
Heavy vehicles and equipment	4,440,337	-	-	(321,176)	4,119,161
	12,461,948	866,686	(342,388)	(700,634)	12,285,612

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Buildings	1,687,437	-	-	-	1,687,437
Plant	926,784	284,649	(129,878)	(136,371)	945,184
Motor vehicles	4,316,782	1,315,000	(564,070)	(282,023)	4,785,689
Office equipment	78,897	-	-	(12,203)	66,694
IT equipment	320,043	280,745	(1,780)	(62,401)	536,607
Heavy vehicles and equipment	4,768,770	-	(6,374)	(322,059)	4,440,337
	12,098,713	1,880,394	(702,102)	(815,057)	12,461,948

The buildings are erected on land which is not owned by the association.

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand	2025	2024
3. Other financial assets		
At fair value		
Listed shares - Glacier	2,746,828	2,301,481
At amortised cost		
Engeli Enterprise Development (Pty) Ltd The loan is unsecured, interest free and is repayable within the following 12 months, with an extension option for a further 12 months.	175,000	175,000
Amré Didloft The loan is unsecured, interest free and is repayable within the following 12 months.	55,000	-
GBS Mutual Bank The amount represents a fixed investment bearing interest at prime-related rates. The maturity date of the investment is 29 January 2026.	5,886,883	5,516,708
	6,116,883	5,691,708
Total other financial assets	8,863,711	7,993,189
Non-current assets		
At fair value	2,746,828	2,301,481
At amortised cost	-	5,516,708
	2,746,828	7,818,189
Current assets		
At amortised cost	6,116,883	175,000
	8,863,711	7,993,189
Fair value measurement		
The fair values of listed or quoted investments are based on the quoted market price at reporting period date.		
4. Inventories		
Consumable goods	1,717,183	1,505,189
5. Trade and other receivables		
Trade receivables	12,482,626	12,903,524
Deposits	581,361	551,012
Nelson Mandela Bay Municipality	1,843,197	-
Sundry debtors	75,695	64,456
	14,982,879	13,518,992
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	1,694,068	2,088,722
Short-term deposits	10,824,995	9,647,091
	12,519,063	11,735,813

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand	2025	2024
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7. Trade and other payables

Trade payables	3,783,956	1,549,056
Audit fee provision	130,600	118,720
Department of Water Affairs and Sanitation	3,893,009	3,622,964
Deposits received	18,389	13,700
Leave provision	1,000,717	899,213
Nelson Mandela Bay Municipality	-	443,547
Payroll accruals	508,029	325,981
SARS - VAT	976,357	1,090,020
	10,311,057	8,063,201

8. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Closing balance
Bonus provision	765,400	774,530	(765,400)	774,530

Reconciliation of provisions - 2024

	Opening balance	Additions	Utilised during the year	Closing balance
Bonus provision	698,300	765,400	(698,300)	765,400

The timing of the outflow of economic benefits with regards to the provision is expected to be within 12 months.

9. Revenue

Water taxes	36,862,452	34,925,876
Consumptive charge	2,992,053	2,827,901
Water resource management charge	2,029,835	1,886,889
	41,884,340	39,640,666

10. Other income

Administration and management fees received	801,211	135,126
Keiskammahoek income	2,454,440	-
Personnel income	467,126	434,383
Profit on disposal of property, plant and equipment	-	132,172
Rental income	346,314	331,626
Rental of equipment	155,177	209,712
Sundry income	404,416	432,001
	4,628,684	1,675,020

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand	2025	2024
11. Operating profit (loss)		
Operating expenses for the year is stated after accounting for the following:		
Operating lease charges		
Motor vehicles		
• Contractual amounts	79,287	20,149
Equipment		
• Contractual amounts	75,507	91,761
	154,794	111,910
Loss on disposal of property, plant and equipment	108,418	-
Depreciation	700,634	815,056
Employee costs	18,632,652	17,514,132
12. Investment revenue		
Dividend revenue		
Listed financial assets - Local	43,116	39,531
Interest revenue		
Bank	725,522	779,041
Deposits	30,349	4,499
Trade and other receivables	645,073	800,147
Other financial assets	371,662	371,670
	1,772,606	1,955,357
	1,815,722	1,994,888
13. Finance costs		
Trade and other payables	13	25
14. Fair value adjustments		
Other financial assets	438,234	185,777
15. Cash generated from (used in) operations		
Net profit (loss) before taxation	896,331	(1,023,116)
Adjustments for:		
Depreciation	700,634	1,051,257
(Profit) loss on disposal of property, plant and equipment	108,418	(132,172)
Fair value adjustments	(438,234)	(185,777)
Movement in provisions	9,130	67,100
Non-cash expenses	37,490	(21,983)
Investment income	(1,815,722)	(1,994,888)
Finance costs	13	25
Changes in working capital:		
Increase in inventories	(211,996)	(125,279)
(Increase) decrease in trade and other receivables	(1,463,887)	1,557,086
Increase (decrease) in trade and other payables	2,247,859	(1,724,396)
	70,036	(2,532,143)

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand	2025	2024
16. Related parties		
Relationships		
Linked due to key management	WWF Keiskammahoek NatCarbon	
Members of key management	RC Colesky	
Related party balances and transactions with other related parties		
Related party balances		
Amounts included in trade receivables regarding related party		
Keiskammahoek	2,914,086	1,000
NatCarbon	366,125	-
Related party transactions		
Project costs paid to (received from) related party		
Keiskammahoek	(2,454,440)	-
Keiskammahoek	652,743	-
NatCarbon	11,263	-
Administration fees received from related parties		
WWF	(29,029)	(134,112)
Compensation paid to key management		
Short-term employee benefits	1,585,187	1,498,203
17. Categories of financial instruments		
Financial assets at fair value through profit or loss		
Other financial assets	2,746,828	2,301,481
Debt instruments at amortised cost		
Cash and cash equivalents	12,519,063	11,735,813
Other financial assets	6,116,883	5,691,708
Trade and other receivables	13,340,039	11,359,296
	31,975,985	28,786,817
Financial liabilities at amortised cost		
Trade and other payables	7,086,357	3,119,484
18. Comparative figures		
Certain comparative figures have been reclassified. The accrual for the auditor's remuneration has been reclassified from provisions to trade and other payables to ensure that the classification is in line with the nature thereof.		
The effects of the reclassification are as follows:		
Statement of Financial Position		
Trade and other payables	-	(118,720)
Provisions	-	118,720

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Notes to the Financial Statements

Figures in Rand	2025	2024
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19. Prior period errors

In prior periods, property, plant and equipment were depreciated using rates that did not reflect the assets' actual useful lives. Management did not appropriately consider the expected pattern of use, technical specifications, or relevant industry information when determining the useful lives at initial recognition.

This represents a prior period error as defined in the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board Section 10.19, as the reliable information necessary to determine appropriate useful lives was available but not properly applied.

The error has been corrected retrospectively in accordance with Section 10.21–10.23, with prior period figures restated and the opening balance of retained earnings adjusted accordingly.

The correction of the error results in adjustments as follows:

Statement of Financial Position

Property, plant and equipment	-	3,592,715
Opening retained earnings	-	(3,592,715)

Profit or Loss

Depreciation expense	-	(236,200)
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Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Detailed Income Statement

Figures in Rand	Notes	2025	2024
Revenue			
Water taxes		36,862,452	34,925,876
Consumptive charge		2,992,053	2,827,901
Water resource management charge		2,029,835	1,886,889
	9	41,884,340	39,640,666
Other income			
Administration and management fees received		801,211	135,126
Keiskammahoek income		2,454,440	-
Personnel income		467,126	434,383
Profit on disposal of property, plant and equipment		-	132,172
Rental income		346,314	331,626
Rental of equipment		155,177	209,712
Sundry income		404,416	432,001
	10	4,628,684	1,675,020
Expenses (Refer to page 23)		(47,870,636)	(44,283,242)
Operating loss	11	(1,357,612)	(2,967,556)
Investment income	12	1,815,722	1,994,888
Finance costs	13	(13)	(25)
Fair value adjustments	14	438,234	185,777
		2,253,943	2,180,640
Profit (loss) for the year		896,331	(786,916)

Gamtoos Water User Association

Financial Statements for the year ended 30 June 2025

Detailed Income Statement

Figures in Rand	Notes	2025	2024
Operating expenses			
ADMINISTRATIVE			
Administration and management fees		180,131	164,848
Auditor's remuneration		143,501	114,080
Bad debts		51,744	120,934
Busaries		198,624	150,964
Chemicals		816,589	75,769
Community service expenses		219,759	156,507
Computer expenses		158,075	115,142
Consulting and professional fees		57,097	101,849
Consumables		9,285,892	7,013,561
Consumptive charge		4,422,313	4,197,485
Contractors		2,090,155	2,181,764
Depreciation		700,634	815,056
Electricity expense		2,011,543	1,795,265
Employee costs		18,632,652	17,514,132
Entertainment		171,663	135,083
General expenses		26,879	39,200
Generator fuel		15,787	157,026
Geohydrological study		149,060	254,800
Herbicides		189,720	171,710
Honorarium		130,392	110,342
Insurance		761,450	666,676
Keiskammahoek expenses		656,479	-
Learnerships		161,657	140,000
Lease rentals on operating lease		154,794	111,910
Loss on disposal of property, plant and equipment		108,418	-
Media		66,248	120,621
Membership fees		71,800	67,712
Motor vehicle allowances		1,287,490	1,343,812
Printing and stationery		203,328	210,074
Sponsorships		43,270	64,070
Telephone and internet		192,665	183,024
Training		363,270	187,358
Travel - local		11,409	101,061
Water resource management charge		2,029,875	1,886,894
OPERATIONS AND MAINTENANCE			
Repairs and maintenance: Alarm system		180,386	271,482
Repairs and maintenance: Camp houses		74,849	93,882
Repairs and maintenance: Roadworks		220,833	349,094
Repairs and maintenance: Special maintenance		483,781	1,580,914
Repairs and maintenance: Vehicles		1,146,424	1,519,141
		47,870,636	44,283,242