MBABANE CLUB
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 August 2022

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APPROVAL OF FINANCIAL STATEMENTS

M. Nyoni
PRESIDENT

S. Johnson
TREASURER

REPORT OF FACTUAL FINDINGS TO THE MEMBERS OF
MBABANE CLUB

We have performed the procedures agreed with you and enumerated below with respect to the Mbabane Club financial statements as set forth in the accompanying schedule. Our engagement was undertaken in accordance with the International Standard on Related Services 4400, *Engagements to Perform Agreed-upon Procedures Regarding Financial Information* . The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed is that of the Mbabane Club Committee. Our procedures were performed solely to assist you in evaluating the transactions pertaining to the Mbabane Club:

▪ The Treasurer will provide annual financial statements and a list and summary of transactions to support same.
▪ We will agree recorded subscription income to amounts deposited in the bank account.
▪ We will agree the loan and interest payments for the year to the loan statements received from First National Bank.
▪ We will confirm the bank balances at 31 August 2022.

We report our findings below:
▪ Recorded subscription income agreed to amounts deposited in the bank account.
▪ Loan and interest payments for the year agreed to the loan statements received from First National Bank.
▪ The bank balance agreed to bank statement at 31 August 2022.

Because the above procedures do not constitute either an audit, review or other assurance engagement made in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance engagements, we do not express any assurance on the attached financials as at 31 August 2021.

Had we performed additional procedures or had we performed an audit, review or other assurance engagements of the financial statements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set out in the first paragraph of this report and for your information, and is not to be used for any other purpose, nor to be distributed to any other parties.

The supplementary schedule set out on page 7 do not form part of the financial statements and is presented as additional information. We have not examined these schedules and accordingly, we do not express an opinion on them.

Chartered Accountants (Eswatini)

____ October 2022

MBABANE CLUB
STATEMENT OF FINANCIAL POSITION
At 31 August 2022

	Notes	2022 E	2021 E
FUNDS EMPLOYED			
ACCUMULATED (DEFICIT)/SURPLUS:			
Main club		39,216	(58,026)
Sports Sections		-	-
		39,216	**(58,026)**
EMPLOYMENT OF FUNDS			
FIXED ASSETS			
Land and buildings - at cost	3	53,700	53,700
At written down values:			
Leasehold improvements	4	-	-
Leasehold property golf course		1	1
Furniture & equipment		14	14
Tractor, trailer, grass cutters and mowers		3	3
Sections: Golf			
		53,718	53,718
LONG TERM LOAN	5	(134,852)	(335,844)
CURRENT ASSETS			
Debtors:			
- Main Club	6	5,000	57,100
- Sport Sections		-	-
Stock - Sport Sections		-	-
Cash and bank:			
- Main club		342,251	219,082
- Sports Sections		-	-
		347,251	276,182
CURRENT LIABILITIES			
Subscriptions in advance		14,000	14,680
Creditors and accruals			
- Main club	7	212,901	22,402
- Sport Sections		-	15,000
		226,901	52,082
NET CURRENT (LIABILITIES)/ASSETS		120,350	224,100
		39,216	(58,026)

MBABANE CLUB
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 August 2022

	Notes	2022 E	2021 E
INCOME			
Entrance fees and subscriptions	8	518,075	528,618
Lease rentals	9	103,012	20,000
Other income	10	67,530	5,500
		688,617	554,118
EXPENDITURE			
Administration costs & fees		1,540	2,203
Asset acquisitions	11	31,261	1,595
Bank charges		18,974	21,614
Impairment of leasehold improvements	4	212,901	-
Insurance		30,428	34,320
Lease agreement reimburseables	12	79,263	-
Loan interest paid		18,141	63,387
Payroll and staff costs	13	-	-
Promotions (advertising, functions, etc.)	14	6,873	-
Repairs & maintenance	15	106,836	106,675
Taxes and property rates		85,156	82,713
Utility costs (electricity, water, etc.)	16	-	-
		591,374	312,507
SURPLUS/(DEFICIT) FOR THE YEAR		97,242	241,612
ACCUMULATED (DEFICIT) BROUGHT FORWARD		(58,026)	(299,638)
ACCUMULATED SURPLUS CARRIED FORWARD		39,216	(58,026)

MBABANE CLUB

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

1 ACCOUNTING BASIS

These financial statements are prepared on the historical cost basis.

2 ACCOUNTING POLICIES

The Club's main accounting policies which are consistent with those of the previous year unless otherwise stated are:-

2.1 Fixed Assets

Land and buildings are not depreciated. Other fixed assets are written off in full in the year of acquisition.

2.2 Income and Expenditure

The club accounts for income and expenditure on the accrual basis of accounting.

2.3 Sports Section Accounts

The accounts of sports sections are incorporated in these financial statements.

2.4 Stock

Stock has been valued at cost, less provision for any damaged stock.

2.5 Leasehold Improvements

Gym equipment and renovations are being amortised over 4 years.

	2022	2021
3 FIXED ASSETS NOTE	E	E
Land and buildings	53,700	53,700

Land and buildings comprise lot 627 (a consolidation of lots 130 to 145 and 467) situated on Gwamile and Oval Streets, Mbabane. Land and buildings are bonded all in favour of First National Bank Swaziland Limited.

	2022	2021
4 LEASEHOLD IMPROVEMENTS	E	E
Leasehold improvements	-	-
Cost (additional improvement costs at end of Cinderella lease)	212,901	-
Impairments	(212,901)	-

	2022	2021
5 LONG TERM LOAN		
First National Bank Eswatini Ltd.	E	E
Balance at beginning of year	335,844	995,154
Amount advanced	-	-
Interest - current year	18,141	63,387
Repayments	(219,373)	(222,937)
Repayments (lump sum)	-	(500,000)
Administration fees	240	240
Balance at end of year	134,852	335,844

The loan incurs interest at 7.5% with final repayment due on 01 January 2026.

MBABANE CLUB

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

		2022	2021
6	DEBTORS AND RECEIVABLES	E	E
	Main Club	5,000	57,100
	Mbabane Motors (advertising signs)	5,000	-
	Fat Baz H. H. Pty Ltd. (rent for Albert Millin)	-	20,000
	Fat Baz / Gymbos (non-member contributions 2021 & 2020)	-	37,100
	Sundry supplies		-

		2022	2021
7	CREDITORS AND ACCRUALS	E	E
	Main Club	226,901	45,947
	Subscriptions in advance	14,000	14,680
	Cinderella Investments (Pty) Ltd (settlement of claim at end of lease)	212,901	
	Fat Baz (gym fees credited to main club in error)	-	31,267
	Sundry supplies	-	-
	Sports sections	-	15,000
		226,901	60,947

		2022	2021
		E	E
8	SUBSCRIPTION INCOME	518,075	528,618
	Subscriptions (except SGU)	414,475	437,088
	SGU member subscriptions (from golf section)	103,600	54,430
	Subscriptions (gym members @20%) for 2020-21	-	37,100

		2022	2021
9	LEASE INCOME	E	E
	Fat Baz Hamburger Hut (Pty) Ltd	103,012	20,000
	Rent for Albert Millin premises May-Aug 21 @ 5,000	-	20,000
	Rent for Albert Millin premises & gym, Oct-21 to Apr-22 @ 8,375 p.m.	67,000	-
	Rent for Albert Millin premises & gym, May-Aug 22 @ 9,003 p.m.	36,012	-

		2022	2021
10	OTHER INCOME	E	E
	Other income	67,530	5,500
	Advertising	5,000	-
	Conference romm & venue hire	1,250	500
	Gifts & donations	-	5,000
	Miscellaneous	862	-
	Transfer (closed Standard Bank Account)	24,158	-
	Tennis section (funds held in main club account)	36,260	-

MBABANE CLUB

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

		2022	2021
11	ASSET ACQUISITIONS	E	E
	(All assets are written down in the year of acquisition)	31,261	1,595
	Built-in braai	17,120	-
	Other assets & improvements	14,141	1,595

		2022	2021
		E	E
12	LEASE AGREEMENT REIMBURSEABLES	79,263	
	50% of subcription income greater than 500,000 in current year	12,218	-
	50% of subcription income greater than 500,000 for 2015-2021	67,045	-

13 All payroll & staff costs are paid by the lessee under the terms of the current leasehold agreement for the Albert Millin restaurant.

		2022	2021
14	PROMOTIONS	E	E
	Functions	6,873	-
	Introduction of new members (26-04-2022)	3,984	-
	Family day (29-08-2022)	2,889	-

		2022	2021
15	REPAIRS & MAINTENANCE	E	E
	Repairs and maintenace	106,836	106,675
	Resurfacing tennis courts in 2021 (additional main club support)	20,000	50,000
	Car park pothole repairs	17,777	15,845
	Construction of new braai area	13,543	-
	Miscellaneous minor repairs & maintenance	55,517	40,830

16 All utility costs (electricity, water, refuse) are paid by the lessee under the terms of the current leasehold agreement for the Albert Millin restaurant.

MBABANE CLUB
SUPPLEMENTARY SCHEDULE
SUMMARY OF SPORTS SECTIONS INCOME AND
EXPENDITURE ACCOUNTS
for the year ended 31 August 2022

	Golf		Squash		Tennis		Total	
	2022	2021	2022	2021	2022	2021	2021	2020
	SZL	SZL	SZL	SZL	SZL	SZL	SZL	SZL
INCOME								
User fees	337,291	60,703	10,895	11,340	17,560	-	365,746	72,043
Competitions, tournaments	295,906	114,939	-	-	1,200	-	297,106	114,939
Advertising	42,160	58,400	31,475	15,000	17,500	20,000	91,135	93,400
Other	119,754	473,557	48	20,526	-	34,074	119,802	528,157
	795,111	707,599	42,418	46,866	36,260	54,074	873,789	808,539
EXPENDITURE								
Wages	322,355	291,848	-	-	-	-	322,355	291,848
Fuel	55,053	42,476	-	-	-	-	55,053	42,476
Capital expenditure	48,500	-	-	-	-	60,000	48,500	60,000
Maintenance & equipment	118,342	82,490	132,752	18,231	-	3,500	251,094	104,221
Electricity and water	34,540	8,745	12,400	9,750	-	-	46,940	18,495
Other	300,043	218,064	7,493	2,027	-	-	307,535	220,091
	878,833	643,623	152,645	30,008	-	63,500	1,031,478	737,131
OPERATING SURPLUS/(LOSS)	(83,722)	63,976	(110,227)	16,858	36,260	(9,426)	(157,689)	71,408
BANK & CASH	207,123	497,383	12,182	108,020	38,760	-	258,065	605,403
CREDITORS & ACCRUALS	16,000	57,081	15,126	30,197	-	-	31,126	87,278
DEBTORS & RECEIVABLES	268,102	205,450	32,092	64,790	-	15,000	300,194	285,240
ACCUMULATED SURPLUS/(LOSS) BROUGHT FORWARD	(123,333)							
ACCUMULATED SURPLUS/(LOSS) CARRIED FORWARD	(281,022)							

This schedule is unaudited and does not form part of the financial statements.