SILVERTON MODEL FLYING CLUB

Annual Financial Statements
for the year ended 31 May 2026

These annual financial statements were prepared by:
S.J. Nel
Associate General Accountant (SA)

DNL Accountants CC

These annual financial statements have not been audited or independently reviewed.

Issued 26 October 2026

Silverton Model Flying Club

Annual Financial Statements for the year ended 31 May 2026

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The annual financial statements set out on pages 2 to 9, which have been prepared on the going concern basis, were approved by the members on _____ and were signed on its behalf by:

Club Secretary

ACCOUNTANTS CC
Registration number 2005/140713/23

280 Brooks Street
Brooklyn, 0181
PO Box 2523
Brooklyn Square, 0075
Tel: 012 364 0180
E-mail: fanie@dnlpta.co.za

Practitioner's Compilation Report

To the members of Silverton Model Flying Club

I have compiled the annual financial statements of Silverton Model Flying Club, as set out on pages 3 - 9, based on information you have provided. These annual financial statements comprise the statement of financial position of Silverton Model Flying Club as at 31 May 2026, the statement of income and retained earnings and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements on the basis of accounting described in Note 1 to the annual financial statements. I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to me to compile these annual financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the basis of accounting described in Note 1 to the annual financial statements.

Per: S.J Nel
Associate General Accountant (SA)

280 Brooks Street
Brooklyn
Pretoria
South Africa
0181

Silverton Model Flying Club

Annual Financial Statements for the year ended 31 May 2026

Statement of Financial Position as at 31 May 2026

Figures in Rand	Note(s)	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment	2	221,599	221,599
Current Assets			
Cash and cash equivalents	3	197,164	201,318
Total Assets		**418,763**	**422,917**
Equity and Liabilities			
Member's interest and reserves			
Accumulated profit		409,008	408,948
Liabilities			
Current Liabilities			
Trade and other payables	4	9,755	13,969
Total Equity and Liabilities		**418,763**	**422,917**

Silverton Model Flying Club

Annual Financial Statements for the year ended 31 May 2026

Detailed Statement of Income and Retained Earnings

Figures in Rand	Note(s)	2026	2025
Revenue			
Membership fees		48,709	54,365
Donations received (Refer note 5)		6,300	10,220
		55,009	**64,585**
Operating expenses			
Accounting fees		(2,000)	(2,000)
Advertising		-	(518)
Bank charges		(1,774)	(1,683)
Fertiliser and compost - Kariega Trust		-	(2,751)
Garden services and cleaning - Kariega Trust		(24,720)	(24,720)
Grass mowing - Royal Livingstone		(8,430)	(9,496)
Insurance		(8,918)	(8,133)
Rental of flying field - Royal Livingstone		(20,191)	(21,193)
Repairs and maintenance		-	(16,915)
Utilities		(2,519)	(2,925)
		(68,552)	**(90,334)**
Operating loss		**(13,543)**	**(25,749)**
Investment income		13,603	14,353
Profit (loss) for the year		**60**	**(11,396)**
Opening balance		408,948	420,344
Accumulated profit		**409,008**	**408,948**

Silverton Model Flying Club

Annual Financial Statements for the year ended 31 May 2026

Statement of Cash Flows

Figures in Rand	Note(s)	2026	2025
Cash flows from operating activities			
Cash receipts from members and donations		55,009	64,585
Cash paid to suppliers		(72,766)	(76,365)
Cash used in operations		(17,757)	(11,780)
Interest income		13,603	14,353
Net cash from operating activities		**(4,154)**	**2,573**
Total cash movement for the year		**(4,154)**	**2,573**
Cash and cash equivalents at the beginning of the year		201,318	198,745
Total cash at end of the year	3	**197,164**	**201,318**

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 accounting policies as set out below. The annual financial statements have been prepared on the historical cost basis. 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 assets which the close corporation 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 close corporation and the cost can be measured reliably. Day to day servicing costs are included in profit or loss 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.

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 close corporation.

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

Item	Depreciation method	Average useful life
Equipment	Straight line	5 years
Solar installation	Straight line	5 years

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.

1.2 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.

Accounting Policies

1.2 Leases (continued)

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.

1.3 Provisions and contingencies

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

1.4 Revenue

Revenue is recognised when received by the club.

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

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

2. Property, plant and equipment

	2026			2025		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Buildings	221,597	-	221,597	221,597	-	221,597
Plant and machinery	2,603	(2,602)	1	2,603	(2,602)	1
Solar system	28,740	(28,739)	1	28,740	(28,739)	1
Total	**252,940**	**(31,341)**	**221,599**	**252,940**	**(31,341)**	**221,599**

Reconciliation of property, plant and equipment - 2026

	Opening balance	Closing balance
Buildings	221,597	221,597
Plant and machinery	1	1
Solar system	1	1
	221,599	**221,599**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Closing balance
Buildings	221,597	221,597
Plant and machinery	1	1
Solar system	1	1
	221,599	**221,599**

Net carrying amounts of leased assets

Buildings	221,597	221,597

Revaluations

The improvements to the leasehold property were revalued on 23 October 2018 by a prfessional valuer, Mr J G Bandenhorst at R1,200,000.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	4,793	4,968
Savings account	192,371	196,350
	197,164	**201,318**

4. Trade and other payables

Royal Livingstone	2,925	2,769
Membership fees recieived in advance	4,500	9,050
SAMAA fees due (received but not paid over)	2,330	2,150
	9,755	**13,969**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

5. Donations received

Ian Veldman	1,000	1,000
Willem van der Merwe	1,000	1,500
Herman Nel	200	220
Rob Hurlin	-	2,000
Cornerstone College	-	5,000
Marthinus Potgieter	2,000	-
Hennie Kieser	2,100	-
Stefan van Zyl	-	500
	6,300	**10,220**