Lower Kenilworth Improvement District

Bounded by the Railway line, Kenilworth Rd,
Rosmead Ave and Wetton Rd

LOWER KENILWORTH IMPROVEMENT DISTRICT NPC
(Registration number: 2020/593529/08)

AUDITED ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2026

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provide community-based private urban management within public areas of the SRA
Directors	AP Nelson ML Willis MM Pieters PC Linnegar
Registered office	20 Ascot Road KENILWORTH 7708
Business address	20 Ascot Road KENILWORTH 7708
Postal address	20 Ascot Road KENILWORTH 7708
Bankers	First National Bank Limited
Auditors	Sentio Audit Incorporated Registered Auditors
Preparer	HVM Overberg Proprietary Limited
Company registration number	2020/593529/08
Income tax reference number	9416/062/20/7
VAT registration number	4010292292
Tax exemption reference number	930071614

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

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

Preparer

C Niemand PA (S.A.)
HVM Overberg Proprietary Limited

Published

27 August 2026

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the 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 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 annual financial statements.

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

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

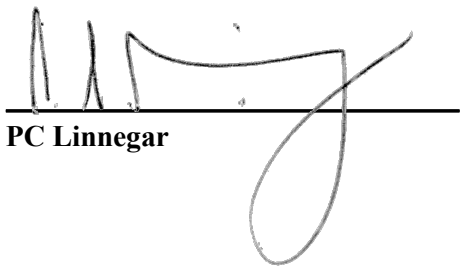
The directors have reviewed the company's cash flow forecast for the year to 30 June 2027 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 7 to 8.

The annual financial statements set out on pages 9 to 17, which have been prepared on the going concern basis, were approved by the directors on 27 August 2026 and were signed on their behalf by:



AP Nelson



PC Linnegar

HVM | OVERBERG

Telephone
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Address
Office Park, 7 Paterson Street
Hermanus, 7200, South Africa

Registration
HVM Overberg Proprietary Limited
2025/338951/07

Compilation Report

To the directors of Lower Kenilworth Improvement District NPC

We have compiled the annual financial statements of Lower Kenilworth Improvement District NPC, as set out on pages 9 to 17, based on information you have provided. These annual financial statements comprise the statement of financial position of Lower Kenilworth Improvement District NPC as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements on the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB). We 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, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB).

C Niemand
HVM OVERBERG PROPRIETARY LIMITED
Professional Accountant (S.A.)

27 August 2026
Stellenbosch

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Lower Kenilworth Improvement District NPC for the year ended 30 June 2026.

1. Incorporation

The company was incorporated on 04 August 2020 and obtained its certificate to commence business on the same day.

The company is domiciled in South Africa where it is incorporated as a private company limited by shares under the Companies Act of South Africa. The address of the registered office is set out on page 1.

2. Nature of business

Lower Kenilworth Improvement District NPC was incorporated in South Africa with interests in the non-profit industry, specifically improving community based private urban management. The company operates in South Africa.

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

3. Review of financial results and activities

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

4. Going concern

The annual 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.

5. Events after the reporting period

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

6. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 30 June 2026 the company's investment in property, plant and equipment amounted to R29 825 (2025: RNIL), of which R30 330 (2025: RNIL) was added in the current year through additions.

7. Directors

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

Directors	Nationality	Changes
AJ Young	South African	Resigned: 25 March 2026
AP Nelson	South African	
ML Willis	South African	
MM Pieters	South African	Appointed: 2 December 2025
PC Linnegar	South African	
RD Moore	South African	Resigned: 25 March 2026

8. Secretary

The company secretary is CR Abbott.

9. Auditors

Sentio Audit Incorporated continued in office as auditors for the company for 2026.

10. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

Sentio Audit

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Techno Park, Stellenbosch,
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Postal
P.O.Box 658, Stellenbosch,
7599, South Africa

Registration
Sentio Audit Incorporated
2021/549478/21

Independent Auditor's Report

To the directors of Lower Kenilworth Improvement District NPC

Opinion

We have audited the annual financial statements of Lower Kenilworth Improvement District NPC (the company) set out on pages 9 to 17, which comprise the statement of financial position as at 30 June 2026; 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 annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Lower Kenilworth Improvement District NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company 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.

Other Matter

We draw attention to the fact that supplementary information set out on page 18 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Responsibilities of the Directors for the Annual Financial Statements

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

Directors:
J van Dyk | V Badenhorst
Sentio is a member of GMN International, an association
of legally independent accounting firms
gmni partnering for success

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

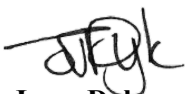
Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

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

We communicate with the directors 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.



J van Dyk
SENTIO AUDIT INCORPORATED
Registered Auditors
IRBA Number: 919485

27 August 2026
Stellenbosch

Statement of Financial Position as at 30 June 2026

	Notes	2026 R	2025 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	29 825	-
Current Assets			
Trade and other receivables	3	3 563	1 762
Cash and cash equivalents	4	1 602 331	1 318 880
		1 605 894	**1 320 642**
Total Assets		**1 635 719**	**1 320 642**
Equity and Liabilities			
Equity			
Surplus funds		1 477 711	1 132 443
Liabilities			
Current Liabilities			
Trade and other payables	5	158 008	188 199
Total Equity and Liabilities		**1 635 719**	**1 320 642**

Statement of Comprehensive Income

	Notes	2026 R	2025 R
Revenue		1 924 637	1 841 547
Operating expenses		(1 662 224)	(1 840 568)
Operating surplus	6	**262 413**	**979**
Investment revenue	7	82 855	79 406
Finance costs	8	-	(74)
Surplus for the year		**345 268**	**80 311**

Statement of Changes in Equity

	Surplus funds R	Total equity R
Balance at 01 July 2024	**1 052 132**	**1 052 132**
Surplus for the year	80 311	80 311
Balance at 01 July 2025	**1 132 443**	**1 132 443**
Surplus for the year	345 268	345 268
Balance at 30 June 2026	**1 477 711**	**1 477 711**

Statement of Cash Flows

	Notes	2026 R	2025 R
Cash flows from operating activities			
Cash receipts from customers		1 922 836	1 845 030
Cash paid to suppliers and employees		(1 691 909)	(1 831 196)
Cash generated from operations	11	230 927	13 834
Interest income		82 855	79 406
Finance costs		-	(74)
Net cash from operating activities		**313 782**	**93 166**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(30 331)	-
Total cash movement for the year		**283 451**	**93 166**
Cash and cash equivalents at the beginning of the year		1 318 880	1 225 714
Total cash at end of the year	4	**1 602 331**	**1 318 880**

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 IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

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

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

Item	Depreciation method	Average useful life
Camera equipment	Straight line	5 years

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

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

1.2 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 surplus 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 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 surplus or loss.

Financial instruments at cost

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

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities / (assets) for the current and prior periods are measured at the amount expected to be paid to / (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft are presented as current liabilities on the statement of financial position.

1.5 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

1.6 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 surplus or loss, using the effective interest rate method.

1.7 Borrowing costs

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

Notes to the Annual Financial Statements

	2026 R	2025 R

2. Property, plant and equipment

	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Camera equipment	29 825	-	29 825	-	-	-

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Depreciation	Closing balance
Camera equipment	-	30 331	(506)	29 825

3. Trade and other receivables

South African Revenue Service: VAT	3 563	1 762

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	1 602 331	1 318 880

5. Trade and other payables

Trade payables	158 008	188 199

6. Operating surplus

Operating surplus include the following expenses:

Depreciation	506	-

7. Investment revenue

Interest revenue		
Bank	82 855	79 406

8. Finance costs

Trade payables	-	74

9. Auditor's remuneration

Fees	12 475	11 875

	2026 R	2025 R

10. Taxation

Non provision of tax

No provision has been made for 2026 tax as the company is exempt from paying income tax and has no other taxable income.

11. Cash generated from operations

Net surplus before taxation	345 268	80 311
Adjustments for non-cash items:		
Depreciation	506	-
Adjust for items which are presented separately:		
Investment income	(82 855)	(79 406)
Finance costs	-	74
Changes in working capital:		
(Increase) / decrease in trade and other receivables	(1 801)	3 483
(Decrease) / increase in trade and other payables	(30 191)	9 372
	230 927	**13 834**

Unaudited Detailed Income Statement

	Notes	2026 R	2025 R
Revenue			
Revenue - Additional rates received		1 811 308	1 708 782
Revenue - Additional rates retention received		113 329	132 765
		1 924 637	**1 841 547**
Operating expenses			
Accounting fees		(3 200)	(1 925)
Administration fees		(5 000)	-
Advertising		(7 301)	(5 379)
Auditors remuneration	9	(12 475)	(11 875)
Bank charges		(3 642)	(3 444)
CCTV leasing of cameras		(6 500)	(268 529)
CCTV monitoring		(322 769)	(304 981)
Cleaning		(133 457)	(125 220)
Computer expenses		(7 873)	(6 715)
Depreciation		(506)	-
Insurance		(9 422)	(8 847)
Meeting expenses		(657)	(883)
Public safety		(1 096 202)	(766 045)
Secretarial fees		(28 750)	(27 425)
Security project		-	(295 200)
Social upliftment		(15 900)	(14 100)
Urban maintenance		(8 570)	-
		(1 662 224)	**(1 840 568)**
Operating surplus	6	**262 413**	**979**
Investment income	7	82 855	79 406
Finance costs	8	-	(74)
		82 855	**79 332**
Surplus for the year		**345 268**	**80 311**