Lower Kenilworth Improvement District

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

Lower Kenilworth Improvement District NPC

ANNUAL REPORT
and
Financial Statements

for the year ended 30 June 2026



CONTENTS

PART A: GENERAL INFORMATION....3

General Information....3

List of Abbreviations / Acronyms....3

Foreword by the Chairperson....4

Treasurer's Overview....5

Statement of Directors' Responsibility and Confirmation of Accuracy of the Annual Report....6

Strategic Overview....7

Vision....7

Mission....7

Values....7

Statutory Mandate....7

Organisational Profile....8

Organisational Structure....9

PART B: PERFORMANCE INFORMATION....10

Situational Analysis....10

Service delivery environment....10

Organisational environment....10

Strategic Objectives....10

Complaints Process....11

Performance Information....12

Public Safety....12

Maintenance and Cleansing Services....15

Environmental Development Services....16

Social and Economic Development Services....17

Urban Management....18

Communication / Marketing....18

PART C: CORPORATE GOVERNANCE....19

Application of King IV....19

Governance Structure....19

Board Composition....19

Board Observer....20

Appointment of the board....20

Overview of the board's responsibilities....20

Board charter....20

Director Independence....21

Board Committees....21

Attendance at board and committee meetings....21

Ethical Leadership....21

Board Oversight of Risk Management....22

Risk Management Policy....22

Effectiveness of Risk Management....22

Key Business Risks and Opportunities....22

Accountability and Responsibility....23

Performance Reviews....23

Delegated limits of authority....23

Supplier Code of Conduct....23

PART D: FINANCIAL INFORMATION....24

Report of the External Auditor....24

Audited Annual Financial Statements....24

PART A: GENERAL INFORMATION

General Information

Registered name:	Lower Kenilworth Improvement District NPC
Registration no:	NPC Reg. No. 2020/593529/08
Physical address:	20 Ascot Rd, Kenilworth 7708
Postal address:	20 Ascot Rd, Kenilworth 7708
Phone No. :	083 440 2000
Email address:	info@lkid.co.za
Website address:	www.lkid.co.za
External auditors:	Sentio Audit / HVM Octo Place A5, Electron St, Techno Park, Stellenbosch Sentio Audit / HVM has served LKID since 2020.
Banker's information:	FNB First National Bank, Woodstock branch
Company Secretary:	Charles Abbott
Bookkeeper:	Cheryl Wither

List of Abbreviations / Acronyms

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CCT	City of Cape Town
KPI	Key Performance Indicators
LKID	Lower Kenilworth Improvement District
SCM	Supply Chain Management

Foreword by the Chairperson

It gives me pleasure to present the LKID Annual Report for 2025/26. The CID concept has definitely been a positive experience for our Community. Our security and safety is vastly improved, our streets and park are cleaner and we have held events to bring our Community closer.

We are now in our 6th year of operation and have been able to significantly reduce crime in our neighbourhood, but there is never a time to relax. Most of the small amount of crime we experience is opportunistic, due to our residents being too casual, leaving valuables in cars or gates open. A large amount of credit must go to our security director Marius Pieters, and Princeton, who work closely together in this respect. We have established a Crime Alert WhatsApp group which allows residents to report incidents promptly and obtain instant action.

Our 43 CCTV cameras which we now own, are monitored 24/7 by our service provider and once again I must thank those residents who provide the internet connection for the cameras.

Our streets are cleaned 3 times a week by our two cleaners in LKID vests. And we have now introduced a third cleaner who focusses on Kolaro Park.

Unfortunately we had to say goodbye to Barbara Kohl who passed away this year. She did a great job looking after our gardens. We have gardens at the top of Blackheath Road, Kolaro Park and the corners of Ascot/Goldbourne and Bishops Close. I want to encourage residents to take control of their sidewalks, eliminate the weeds and install water-wise plants. Let's make ours a garden suburb. I must thank Councillor Hill for the funds to install gym equipment at Kolaro Park and trust residents will make use of this equipment.

With regard to Community events, we had a successful Garage Sale day, organised by Monique Willis, and residents have requested that we organise another which was held in November. There will also be a supervised Halloween evening at the end of October. We also support Sisters, the home for abused women and children with a monthly donation.

Finally I want to give credit to Ken Sturgeon who has come on board in an advisory capacity to assist us in the Urban Management portfolio. As a retired town planner, Ken provides the necessary expertise to assess building departures and the like.

Let me finish by thanking our Team for all the work they do in making LKID a success.



Chairman of the Board
Pete Linnegar
2 November 2026

Treasurer's Overview

Summary of the LKID financial position:

	2026 (R)	2025 (R)
Revenue	1 924 637	1 841 547
Net Surplus	345 268	80 311
Cash on Hand	1 602 331	1 318 880

Budget Allocation for 2026/27 :

	R
Public Safety	1 264 364
Urban Management	21 200
Environmental	10 600
Social Programmes	19 000

The LKID governs its supply chain management process via procedures for procurement and evaluation of bids. No supply chain related challenges were experienced during the course of the year.

We received a clean Audit Report and no extraordinary financial challenges were encountered.

The Directors believe that the company has adequate financial resources to continue in operation for the forseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the company is in a sound financial position and believe the company will receive sufficient funding to meet its forseeable cash requirements. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or any pending changes to legislation which may affect the company.



Treasurer, LKID
Alex Nelson
2 November 2026

Statement of Directors' Responsibility and Confirmation of Accuracy of the Annual Report

We confirm that, to the best of our knowledge:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Sentio Audit / HVM.

The directors consider the annual report, taken as a whole, to be accurate, fair, balanced and free of material omissions.

The Financial Statements, prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities and financial position of the company.

The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the board on 19 October 2026 and signed on behalf by:



Chairperson of the Board
Pete Linnegar
2 November 2026



Treasurer
Alex Nelson
2 November 2026

Strategic Overview

Vision

The vision of the LKID is to maintain a safe, clean and well managed environment where our residents, scholars and businesses can operate in a relaxed environment.

Mission

It is the mission of the LKID to continue to create an inviting and safe environment for residents, scholars and visitors.

Our strategy for promoting that vision is detailed in our Business Plan, available online HERE

Values

Our core values are:

- **Transparency:** Open decision-making so that stakeholders can readily discern our outputs and outcomes.
- **Accountability:** We answer for the execution of our responsibilities.
- **Performance**: We will strive to achieve our strategic objectives.
- **Stakeholder inclusivity:** We will carry out our activities taking into account the needs, interests and expectations of our stakeholders.
- **Social responsibility:** We aim to deliver economic, social and environmental benefits for all our stakeholders.
- **Sustainable development:** We will meet the needs of the local community without compromising the ability of future generations to meet theirs.

Statutory Mandate

In terms of the CID By-law and s. 22 of the Municipal Property Rates Act, the Lower Kenilworth Improvement District NPC is tasked with considering, developing and implementing improvements and upgrades to the LKID to supplement services provided by the CCT. The funding comes from additional rates collected by the CCT from CID property owners and paid over to the company under the aforesaid legislation, as may be supplemented by local fundraising initiatives. In expending these funds, the company is subject to oversight by the CCT in terms of the CID By-law and Policy, as well as public procurement principles enshrined in s. 217 of the Constitution of the Republic of South Africa, 1996 (the “Constitution”).

Organisational Profile



The LKID area is defined by:

Northern Boundary: Kenilworth Road from the railway line to Rosmead Avenue.
Eastern Boundary: Rosmead Avenue from Kenilworth Road to Wetton Road.
Southern Boundary: Wetton Road from the railway line to Rosmead Avenue.
Western Boundary: The railway line from Wetton bridge to the station booms.

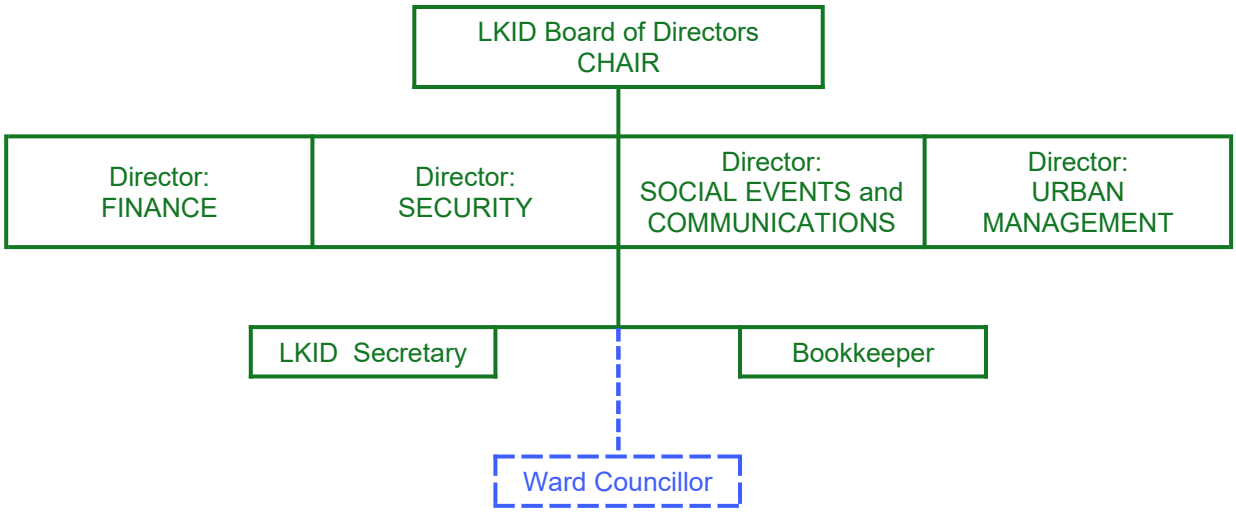
The LKID's primary activities are focused on 5 key areas: public safety, maintenance and cleansing, environmental development, social and economic development, and communication.

Our stakeholders include approximately 800 households; 3 small commercial hubs comprising 25 businesses; medical practices and rehabilitation centres; two well-established private schools (kindergarten to matric); and the Consulate General of the Republic of Indonesia. All stakeholders rely on the LKID which strives to provide a safe and clean environment.

Organisational Structure

The LKID is established as a Non-Profit Company (NPC) in terms of the Companies Act 71 of 2008. It is managed as follows:

- The Board of Directors (comprising a minimum of 3 directors) meets monthly under the elected chairperson.
- Election of Board Members occurs annually at the Annual General Meeting (AGM).
- One Third of Directors must step down annually but can be re-elected at the AGM.
- Any registered property owner can become a member of the NPC, free of charge, on application to the board.
- Only members of the NPC (or their delegated proxy) are eligible to vote at meetings of the NPC.
- The Board of Directors are responsible for the implementation of the Business Plan.
- The performance of the Board of Directors in the achievement of its objectives as detailed in the Business Plan is monitored by the Members.
- The NPC has a Memorandum of Incorporation (MOI) as prescribed by the City and as regulated in terms of the Companies Act of 71.
- The books of account are externally audited and the NPC appoints, through a competitive process (with quotes etc), a part time bookkeeper to prepare monthly accounts, and similar requirements.
- The progressive income and expenditure reports are tabled at Board meetings and forwarded to the City monthly.
- Annual Financial Statements are presented at the AGM to the members and consolidated with the City of Cape Town's Annual Financial Statements.



PART B: PERFORMANCE INFORMATION

Situational Analysis

Service delivery environment

The LKID has effectively upgraded and maintained the area, and our efforts should secure member support for the year ahead. The LKID remains dedicated to further enhancing the public spaces within the area and continuing to strengthen our security network.

Organisational environment

This year, regular activities — including Board meetings, engagement with our adjacent CIDs, meetings with the CPF and SAPS and interactions with the City — continued as scheduled. Our focus has been to strengthen collaborative efforts with these key partners. Additionally we have prioritised close cooperation with the Ward Councilor, Sub-council management and City officials to further enhance service delivery in our area.

No internal adverse developments, wasteful expenditure, fraud or maladministration were experienced and consequently no mitigation or disciplinary measures were necessary.

Strategic Objectives

Safety and security remain our top priority with cameras strategically placed throughout the community. Several new cameras were purchased, including a PTZ Zoom and 360^0 rotational camera covering Wetton Bridge, Wetton and upper Bathurst roads. We also liaise with our adjacent CID partners and SAPS to combine our crime fighting efforts.

Our cleansing initiative aims to keep Lower Kenilworth clean and visually appealing and residents have commented favourably on the improved appearance of the area.

We are also focussed on assisting Sisters Inc. (a home in our area for victims of gender based violence) who are desperately short of funds, having had their budget cut like most NGOs.

Complaints Process

All complaints must be reported to LKID via e-mail and will be responded to via email for record keeping purposes.

In some instances, the LKID cannot resolve the problem and needs to liaise with other stakeholders. Should there be extended delays in obtaining feedback from external stakeholders, the complainant will be informed accordingly.

Once the complainant has received a response, and it is to their satisfaction, the matter will be considered closed.

Should the complainant not be satisfied with the response received, and wish to escalate the matter, then they may request that the matter be escalated to the LKID board of Directors.

The relevant portfolio Director will then deal with their complaint and advise on actions, should any be required.

The complainant will receive a written response from the LKID Director who will act on behalf of the LKID board, following the necessary consultation.

Should the complainant not be satisfied with the feedback of the LKID Director, they may request escalation to the next authority.

The director concerned will provide the complainant with proof of such escalation to the next level of authority which will be the relevant Manager of the City of Cape Town's City Improvement Districts. At this point, the City's unit will address the complaints and provide the complainant with the relevant feedback on the action taken.

In the year under review, some complaints were received via our social media WhatsApp channel and also our website email address. Complaints were related to vagrants passing through the area, dog faeces on the pavements, and occasional complaints about litter. All these were handled immediately by our Safety and Security directorate and cleansing team.

Complaints relating to water leaks, electrical outages, blocked stormwater drains, missing drain covers etc. fall outside the LKID’s responsibility and were referred to the City for action by the relevant City department. In many cases, residents used the City’s C3 reporting system for this purpose.

Performance Information

Public Safety

The safety and security of our homeowners, residents, visitors and students in our area, remains our top priority. We have cameras strategically placed throughout the community monitored 24 x 7 by our security provider, with cutting-edge technology to improve the efficiency of our team.

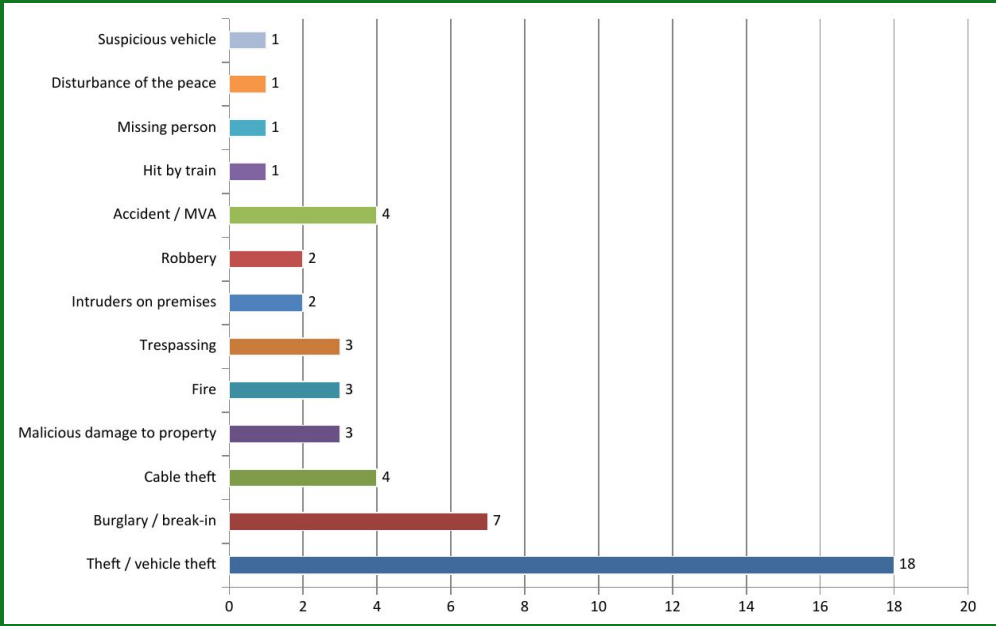
Coordination with security organisations, including the CPF, SAPS Wynberg and the CIDs surrounding us strengthens collaboration between public and private sector efforts to maintain a safe environment.

PUBLIC SAFETY				
No.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY	NOTES
1	Develop a Public Safety strategy and management plan	Up to date Public Safety strategy and management plan	Year 1	This is done comprehensively at the beginning of a new 5-year term and then modified continuously in conjunction with the SAPS, Local Authority and existing Public Safety service provider using their experience as well as available crime statistics.
2	Appoint a Public Safety service provider	Contracted PSIRA registered public safety service provider	Year 1	The Public Safety service provider could include Public Safety Patrols, Control Room services and CCTV monitoring through a fair, equitable, transparent and competititve process.
3	Review and approve the Public Safety strategy and management plan	Approved Public Safety strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide safety services by the appointed service provider and evaluate levels of service provided.
4	Record Public Safety Incidents	Up to date Public Safety Incident records	Ongoing	Indicative records are given monthly at LKID board meetings.
5	CID participation in joint operations	Participation in joint operations	Ad hoc	Participation in joint operations dependent on the public safety needs of the area.
6	Deploy Public Safety resources accoringly and effectively on visible patrols. Public Safety personnel and patrol vehicles to be easily identifiable	Effective Public Safety patrols	Ongoing	Utilise the 'eyes and ears' of all Public Safety and gardening / street cleaning staff, as well as own staff, to identify any breaches.
7	Participate in local safety forums	Attend local safety forums	Quarterly	Participate in existing Neighbourhood Watch, Community Policing Forum, other CIDs and SAPS meetings.
8	Plan deployment of CCTV cameras	CCTV camera deployment included in Public Safety strategy and management plan	Ongoing	
9	Register CCTV cameras with the CCT	Cameras registered with the CCT	Ongoing	
10	Monitor CCTV cameras	Monitoring of CCTV cameras by appropriately qualified service providers	Ongoing	Service providers to be reappointed or new providers to be appointed in last year of contract period by means of a competitive process. Well documented.

PUBLIC SAFETY – INCIDENT SUMMARY

In the reporting period of 1 July 2025 to 30 June 2026, 54 incidents were recorded.

INCIDENT CATEGORIES



Top Category:
18 incidents

Theft / Theft out of vehicle

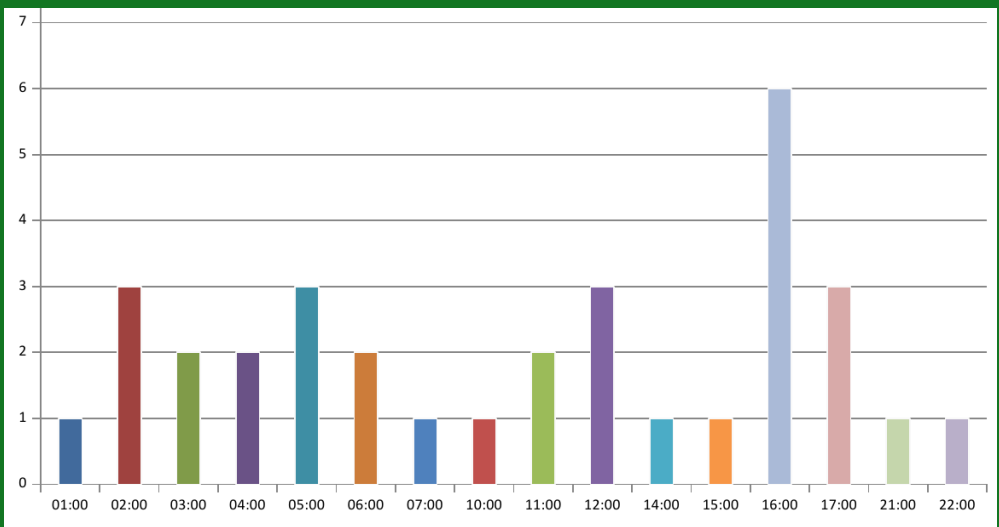
Second Category:
7 incidents

Burglary / Break-in

Third Category:
4 incidents each

Cable Theft
Accident / MVA

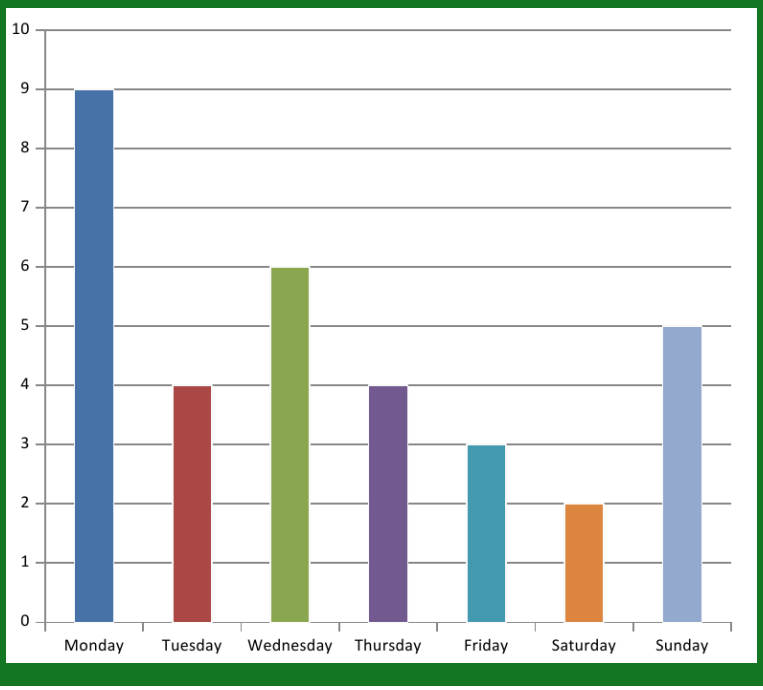
TIME OF DAY



Peak hour shown:

16:00

DAY OF THE WEEK



Peak incident day:

Mondays

RESOURCE ALLOCATION and EXPENDITURE

Service / Project	Projected Expenditure July 2025 – Jun 2026 R	Actual Expenditure July 2025 – Jun 2026 R	(Surplus) Deficit R
Public Safety	1 080 000	1 096 201	16 201
CCTV Monitoring	318 000	322 769	4 769
Leasing of cameras	70 000	6 500	(63 500)
Security cost	1 468 000	1 425 470	(42 530)

Maintenance and Cleansing Services

To ensure that the LKID is clean and well-maintained, contractors were appointed to conduct cleaning services, supplementary to the City services. The LKID cleaning takes place on Monday, Wednesday and Friday with the contractors truck loading all the refuse at the end of each day.

The contractors attend to the public space areas and remove alien vegetation and ensure that the verges and pavements are kept clear of litter and overgrowth. Vegetation that may obscure the sight lines of our CCTV cameras is also trimmed back.

The contractor cleansing efforts are scored on a regular basis to give them feedback on their performance.



Two cleaners are employed to work 3 times a week in the LKID area. Active in the reporting period July 2025 to June 2026.

MAINTENANCE and CLEANSING				
No.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY	NOTES
1	Develop a Maintenance and Cleansing strategy and management plan	Up to date Maintenance and Cleansing strategy and management plan	Year 1	This is done comprehensively at the beginning of a new 5-year term and then modified continuously in conjunction with the service provider using their experience as well as available statistics.
2	Appoint a Maintenance and Cleansing service provider	Contracted Maintenance and Cleansing service provider	Year 1	Appoint a Maintenance and Cleansing service provider through a fair, equitable, transparent and competititve process.
3	Review and approve the Maintenance and Cleansing strategy and management plan	Approved Maintenance and Cleansing strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide Maintenance and Cleansing services by the appointed service provider and evaluate levels of service provided.
4	Cleaning of streets and sidewalks supplementary to cleaning provided by the CCT	Clean streets and sidewalks in partnership with the CCT	Ongoing	Identify hotspot areas of littering to provide additional street cleaning and log a CCT service request
5	Health and safety issues reported to the CCT	Logged CCT service request resolved	Ongoing	Follow-up with sub-council in respect of outstanding CCT service requests.
6	Removal of illegal posters	Urban infrastructure free from illegal posters	Ongoing	Monitor the removal of illegal posters by the CCT and where relevant log a CCT service request.
7	Removal of graffiti	Urban infrastructure free from graffiti	Ongoing	Monitor the removal of graffiti by the CCT and where relevant log a CCT service request.
8	Record maintenance and cleansing activities	Up to date maintenance and cleansing records	Ongoing	Indicative records are given monthly at LKID board meetings.

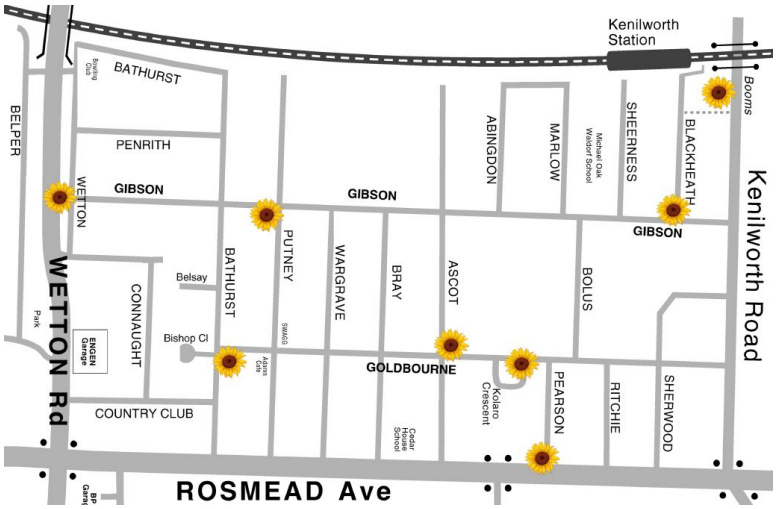
RESOURCE ALLOCATION and EXPENDITURE

Service / Project	Projected Expenditure July 2025 – Jun 2026 R	Actual Expenditure July 2025 – Jun 2026 R	(Surplus) / Deficit R
Cleaning Services	125 220	133 457	8 237

Environmental Development Services

Our strategy is to develop a series of corner gardens to create a garden suburb atmosphere.

The map below details where we have targeted to place these gardens. Local residents are encouraged to assist in the planting and maintenance of these gardens. Longer term we would like to re-establish the avenue of trees along Rosmead Avenue where a number of trees on both sides of the road have died naturally or been removed after being attacked by the PSHB beetle.



LKID is establishing more mini-gardens on appropriate pavements and street corners. Some new spots are shown in the map above.

Below left: Barbara Kohl established this garden on the corner of Gibson and Putney roads

Below right: Work in progress: A new garden established by the LKID Garden Club on the corner of Goldbourne and Ascot roads, a joint effort between the LKID and residents in the area.

RIP Barbara Kohl



Barbara passed away on 2 May 2026.

She worked tirelessly to establish street gardens in our LKID area and adjacent suburbs. Her contribution and legacy can be seen across the neighbourhood.





RESOURCE ALLOCATION and EXPENDITURE

Service / Project	Projected Expenditure July 2025 – Jun 2026 R	Actual Expenditure July 2025 – Jun 2026 R	(Surplus) Deficit R
Environmental upgrading	10 000	8 570	(1 430)

Social and Economic Development Services

SOCIAL and ECONOMIC DEVELOPMENT				
No.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY	NOTES
1	Develop a social and economic development plan	Support for a local home for abused mothers	Monthly	LKID contributes a monthly voucher redeemable for groceries at a local supermarket

Our focus is on Sisters Incorporated, a home of safety for abused women and their children, situated in our area. Monthly financial assistance continues to be extended to Sisters Inc. in the form of a SPAR voucher. Regular appeals are made via our Sisters4Sisters WhatsApp group and LKID residents donate clothing and other childcare necessities as a result of these appeals.



Halloween 2025 *was once again a well supported community event with a growing number of houses signed up to participate. Additional security was provided by Princeton to ensure that families were safe whilst trick or treating in the neighbourhood.*



Our first neighbourhood ***Garage Sale*** *was held in March 2026 with 18 participating households.*

The community expressed great enjoyment and asked for it to be held again in spring.

RESOURCE ALLOCATION and EXPENDITURE

Service / Project	Projected Expenditure July 2025 – Jun 2026 R	Actual Expenditure July 2025 – Jun 2026 R	(Surplus) Deficit R
Social and Economic Development	24 000	24 000	nil

Urban Management

All properties within the City of Cape Town are subject to a set of regulations controlling development on the property. Regulations include the Municipal Planning By-law, Development Management Scheme, the National Building Regulations Act, and Outdoor Advertising and Signage By-law. In addition, the LKID area includes a number of buildings older than 60 years, which are subject to the National Heritage Resources Act. The LKID is a registered Conservation Body with Heritage Western Cape and we are thus requested to comment on all applications before HWC in our area.

The LKID prepared a Land Use Position Paper to guide LKID residents who are considering improvements or substantial changes to their property (including boundary walls), before plans are submitted to Council for approval. Where departures from regulations are requested, the city circulates the proposed plans to the LKID and neighbouring interested and affected parties for comments or objections. The LKID consults with town planners and architects for their professional opinion in these matters. We also ensure that affected neighbours are aware of proposed developments and assist them with their comments and/or objections.

In the year under review, the LKID considered many applications from homeowners and developers. These ranged from minor works (e.g. addition of a room, or boundary wall) to total demolition of a house, or rezoning and redevelopment of a property. The LKID also monitored building works in the neighbourhood to ensure that the relevant regulations and approvals are being adhered to. Deviations from approved plans are reported to the city's building inspector.

Communication / Marketing

Communication with our residents (and beyond our LKID footprint) is achieved using the WhatsApp messaging platform and social media channels Facebook and Instagram. These platforms incur no expenses. No advertising is done through print media in the course of the year except for the annual obligatory AGM advertisements which are placed in the *Cape Times* and *Die Burger* newspapers.

RESOURCE ALLOCATION and EXPENDITURE

Service / Project	Projected Expenditure July 2025 – Jun 2026 R	Actual Expenditure July 2025 – Jun 2026 R	(Surplus) Deficit R
Advertising	7 301	8 396	1 095

PART C: CORPORATE GOVERNANCE

Application of King IV

In recognition of the fact that the LKID is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, the LKID voluntarily subscribes to the King Code of Corporate Governance for South Africa 2016 ("King IV"), which came into effect on 1 April 2017. King IV contains a series of recommended reporting practices under the 15 voluntary governance principles.

The practices applied by the company are explained in this part (Part C), of the Annual Report. In determining which reporting practices to apply, the board took account of, among others things, the CoCT's policy, and the particular reporting protocols appropriate to a non-profit entity such as the LKID.

Compliance with King IV for the reporting period: The board is satisfied that the LKID has complied with the applicable principles set out in King IV during the period under review.

Governance Structure

Board Composition

The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence to represent the interests of the varied property owner groups in the LKID.

Two changes occurred within our board of directors in the period under review.

BOARD COMPOSITION and APPOINTMENTS		1 July 2025 to 30 June 2026	
Portfolio	**Name**	**Position**	**Date of Appointment**
Chair	Pete Linnegar	*Director*	Since LKID inception 1 July 2020
Finance	Alex Nelson	*Director*	Since LKID inception 1 July 2020
Security	Rory Moore Marius Pieters	*Director* *Director*	1 July 2020, resigned Dec 2025 Appointed December 2025
Social Development and Communications	Monique Willis	*Director*	January 2022
Urban Management	Andrew Young Ken Sturgeon	*Director* *Consultant*	February 2024, resigned Feb 2026 Appointed March 2026

Board Observer

In terms of the By-law, city councillors are designated as “board observers” by the Executive Mayor to conduct oversight of board functions. This oversight entails receiving board documentation and attending board meetings, with a view to ensuring that the company duly executes its statutory mandate. Councillor Richard Hill attended 8 of the 11 board meetings convened between July 2025 and June 2026. Cllr. Mikhail Manuel continued to serve as alternate observer in the year under review.

Appointment of the board

Elected board members oversee various company portfolios, and regular board meetings allow directors to review operations and implement corrective actions as needed.

An AGM is held each year to review the LKID's performance and reaffirm the members' mandate. The AGM also provides an opportunity to elect new directors to the LKID board. In terms of our MOI, one third of the board must stand down each year but may stand for re-election. At the AGM held on 2 December 2025, M Willis and R Moore stood down. M Willis was re-elected. After long service to LKID, R Moore was unavailable for re-election, and M Pieters replaced him in the Security portfolio.

In March 2026, A Young (director, Urban Management) resigned and K Sturgeon (retired town planner) was engaged to advise the board on urban management matters.

Overview of the board’s responsibilities

The Board manages the daily execution of additional services in line with the Business Plan. In doing so, it:

- Develops strategies to implement the LKID’s business plan, ensuring financial stability and considering stakeholder interests.
- Monitors compliance with relevant laws, codes, and standards.
- Approves the annual budget.
- Oversees and approves the preparation of annual financial statements for member adoption.
- Exercises effective control over the LKID, monitoring management’s adherence to the approved budget and business plan.

Board charter

The board is satisfied that it has fulfilled its responsibilities under the board charter during the period under review.

Director Independence

The LKID has no non-executive Directors. The Board manages the various portfolios on a day-to-day basis. To ensure that conflicts of interest do not arise, at the start of all LKID board meetings directors declare whether they have any personal, financial or business interests which may have a bearing on decisions made in the past or in the current meeting. The board thus ensures that directors are able to exercise independent judgement in carrying out their responsibilities.

Board Committees

The Board did not appoint any committees during the reporting period.

Attendance at board and committee meetings

The Board meets once a month, with the option to call a special board meeting if needed. In the period under review, no special board meetings were convened.

Particulars of board meetings are detailed in the table below.

BOARD MEETINGS 11 in the period under review (1 July 2025 to 30 June 2026)

1 = Attended 0 = Apologies / Illness

Director	Total	14 Jul	25 Aug	15 Sep	20 Oct	17 Nov	19 Jan	16 Feb	16 Mar	13 Apr	18 May	22 June
P Linnegar (Chair)	11 / 11	1	1	1	1	1	1	1	1	1	1	1
A Nelson (Finance)	9 / 11	1	1	1	0	1	0	1	1	1	1	1
M Pieters (Security)	6 / 6	-	-	-	-	-	1	1	1	1	1	1
R Moore (Security)	4 / 5	1	1	0	1	1	-	-	-	-	-	-
M Willis (Community)	10 / 11	1	1	1	0	1	1	1	1	1	1	1
A Young (Urban mgt)	7 / 7	1	1	1	1	1	1	1	-	-	-	-
K Sturgeon (Consultant)	4 / 4								1	1	1	1
Cllr. R Hill (Ward 58)	8 / 11	1	1	1	0	1	0	1	1	0	1	1

Ethical Leadership

Directors are required to maintain the highest ethical standards. To this end, the LKID has adopted a code of conduct for directors, which governs their ethical roles and responsibilities, and provides guidelines on the applicable legal, management and ethical standards.

Upon appointment, directors declare in writing to the chairperson any private interests which could give rise to a potential conflict of interest.

Directors must further disclose to the chairperson if any matter before the board gives rise to a potential conflict of interest. This is done at the start of every board meeting. Such a director must recuse himself or herself from consideration and deliberation of, or voting on, the matter giving rise to the potential conflict of interest.

Transparency in personal or commercial interests ensures that directors are seen to be free of personal or business relationships that may materially interfere with their ability to act independently and in the best interests of the LKID.

The board is satisfied that the directors have complied with their duties in terms of the Code during the year under review. No changes to the directors' respective declarations were recorded which could potentially impact their independence.

Board Oversight of Risk Management

Risk Management Policy

The board is tasked with implementing a sound system of internal controls to safeguard the company's assets and funds, and ensuring that assets and funds are employed in furtherance of the company's strategic objectives.

The system of internal controls put in place by the board includes the five-year strategic plan, approved by the CoCT which has been implemented across the whole range of company functions.

Effectiveness of Risk Management

During the year under review, the board fulfilled its risk mandate by addressing risk governance in matters discussed across the board meetings held during the 2025 financial year. The board is satisfied that the systems and processes in place to govern and manage risk are adequate and that it has satisfactorily fulfilled its risk management responsibilities.

Key Business Risks and Opportunities

The Board identified and managed the following key operational **risks**:

Financial sustainability – managed through regular financial monitoring;

Public safety – managed through constant oversight of service providers; and

Service provider performance – managed through regular performance monitoring and engagement with relevant stakeholders.

The board confirms that no undue or unexpected risks arose during the period under review.

Opportunities identified include strengthening partnerships and improving coordination of supplementary services within the CID area. The Board will continue to monitor these matters during the next reporting period.

Accountability and Responsibility

Performance Reviews

Annual assessments are undertaken, and the board is so far satisfied overall with performance. Performance is reviewed at every Board meeting.

Delegated limits of authority

The board has not delegated any authority to management in the period under review.

Supplier Code of Conduct

Our supplier's code of conduct is checked to ensure that it meets the LKID's ethical standards and business pratices.

PART D: FINANCIAL INFORMATION

Report of the External Auditor

Audited Annual Financial Statements

See following pages

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

Index

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

Index	Page
Directors' Responsibilities and Approval	3
Compilation Report	4
Directors' Report	5 - 6
Independent Auditor's Report	7 - 8
Statement of Financial Position	9
Statement of Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Accounting Policies	13 - 15
Notes to the Annual Financial Statements	16 - 17
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Unaudited Detailed Income Statement	18

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.

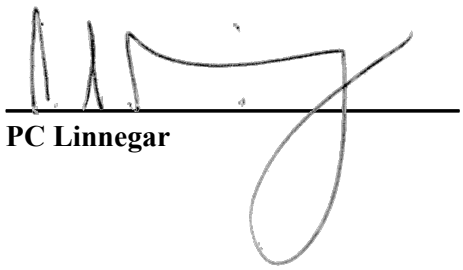
The directors have reviewed the company's cash flow forecast for the year to 30 June 2027 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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
+27 (21) 880 1994
www.hvm.cc/hvmoverberg

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

Telephone
+27 (21) 880 1994
Fax
+27 (86) 510 2637

Address
Octo Place A5, Electron Street
Techno Park, Stellenbosch,
7600, South Africa

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

Notes to the Annual Financial Statements

	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**