

**GREEN POINT CITY IMPROVEMENT
DISTRICT (NPC)
YEAR ENDED 30 JUNE 2017**

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Enhancing and supplementing municipal services provided by the City of Cape Town within the Green Point Area
Directors	Carl Roberts Hancocks Cormack Sean McCarthy Deon Pieter De Wet Derick Ambrose Henstra Hugh George Wessel von Zahn Norbert Roland Everest Furnon-Roberts Steven Patrick McCarthy
Registered office	Concertino House 106 Kloof Street CAPE TOWN 8001
Business address	1 Somerset Road Prestwich Memorial St Andrew Square GREEN POINT 8005
Postal address	P O Box 12091 MILL STREET 8010
Bankers	First National Bank, a division of First Rand Limited
Auditor	MKD Chartered Accountants (S.A.) Registered Accountant and Auditor
Company registration number	2001/014509/08
Tax reference number	9259/302/14/0
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The financial statements were independently compiled by: Simon Wood
Issued	31 August 2017

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

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The reports and statements set out below comprise the financial statements presented to the Green Point City Improvement District (NPC):

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Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

Simon Wood

Published

31 August 2017

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Directors' Responsibilities and Approval

The Directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external Auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

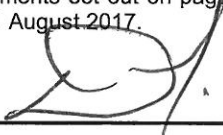
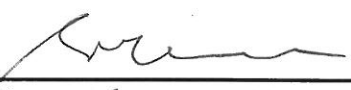






The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Directors set standards for 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 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 2018 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 Auditor is responsible for independently auditing and reporting on the Company's financial statements. The financial statements have been examined by the Company's external Auditor and the report is presented on page 4.

The financial statements set out on pages 6 to 16, which have been prepared on the going concern basis, were approved by the Directors on 31 August 2017.

 _____ Director	 _____ Director
 _____ Director	 _____ Director
 _____ Director	 _____ Director
 _____ Director	 _____ Director

31 August 2017
CAPE TOWN



CHARTERED
ACCOUNTANTS (S.A.)

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South Africa

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REGISTERED AUDITORS

Independent Auditor's Report

To the Directors of Green Point City Improvement District (NPC)

Opinion

We have audited the financial statements of Green Point City Improvement District (NPC) set out on pages 7 to 14, which comprise the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Green Point City Improvement District (NPC) as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Partner:

Stuart Charles Mackay-Davidson
B.Com. (Hons) I.S., CA (S.A.)

Associate Consultants:

Raymond Klitzner Professional Accountant (S.A.)
Ronald David Bywater CA (S.A.)
Cindy-Lou Forster B.Sc (Info.Proc), B.Compt (Hons), CA (S.A.)

Assisted by:

Marcelle Fisher-Jeffes B.Compt., Professional Accountant (S.A.)
Tania Reid B.Com. (Hons), CA (S.A.)
Demetrios Papadatos B.Compt.

Independent Auditor's Report

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.



MKD Chartered Accountants (S.A.)
S C Mackay-Davidson
Partner

31 August 2017

Concertino House
106 Kloof Street
CAPE TOWN
8001

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Directors' Report

The Directors have pleasure in submitting their report on the financial statements of Green Point City Improvement District (NPC) for the year ended 30 June 2017.

1. Nature of business

Green Point City Improvement District (NPC) was incorporated in South Africa with interests in the Government industry. The company operates in South Africa.

2. Review of financial results and activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. 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 financial statements.

3. Directors

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

Directors

Carl Roberts Hancocks

Cormack Sean McCarthy

Deon Pieter De Wet

Derick Ambrose Henstra

Hugh George Wessel von Zahn

Norbert Roland Everest Furnon-
Roberts

Steven Patrick McCarthy

There have been no changes to the Directorate for the year under review.

4. 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.

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. Auditor

MKD Chartered Accountants (S.A.) will continue in office as Auditor for the Company for 2018.

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Statement of Financial Position as at 30 June 2017

Figures in Rand	Notes	2017	2016
Assets			
Non-Current Assets			
Property, plant and equipment	1.1;1.3;2	197,376	267,809
Current Assets			
Trade and other receivables	1.2;3	17,215	13,676
Cash and cash equivalents	4	2,556,113	2,075,776
		<u>2,573,328</u>	<u>2,089,452</u>
Total Assets		<u>2,770,704</u>	<u>2,357,261</u>
Equity and Liabilities			
Equity			
Accumulated surplus		2,502,467	2,104,688
Liabilities			
Current Liabilities			
Trade and other payables	1.2;5	268,237	252,573
Total Equity and Liabilities		<u>2,770,704</u>	<u>2,357,261</u>

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Statement of Comprehensive Income

Figures in Rand	Notes	2017	2016
Revenue	1.4;6	5,466,284	4,960,326
Other income	7	1,437,738	1,900,641
Operating expenses		(6,507,467)	(5,925,452)
Operating profit		396,555	935,515
Investment revenue		1,224	753
Surplus for the year		397,779	936,268
Other comprehensive income		-	-
Total comprehensive surplus for the year		397,779	936,268

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Financial Statements for the year ended 30 June 2017

Statement of Changes in Equity

Figures in Rand	Accumulated surplus	Total equity
Balance at 01 July 2015	1,168,420	1,168,420
Surplus for the year	936,268	936,268
Balance at 01 July 2016	2,104,688	2,104,688
Surplus for the year	397,779	397,779
Balance at 30 June 2017	2,502,467	2,502,467

Green Point City Improvement District (NPC)

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Financial Statements for the year ended 30 June 2017

Statement of Cash Flows

Figures in Rand	Notes	2017	2016
Cash flows from operating activities			
Cash generated from operations	10	479,113	1,437,768
Interest received		1,224	753
Net cash from operating activities		480,337	1,438,521
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(278,169)
Proceeds on disposal of property, plant and equipment		-	73,853
Net cash from investing activities		-	(204,316)
Total cash movement for the year		480,337	1,234,205
Cash at beginning of the year		2,075,776	841,571
Total cash at end of the year	4	2,556,113	2,075,776

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The 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 year.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Average useful life
Computer equipment	3 years
Furniture and fittings	6 years
Motor vehicle	5 years
Trailer	5 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

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 profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

Debt instruments, as defined in the standard, 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 so, an impairment loss is recognised.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

Green Point City Improvement District (NPC)

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Financial Statements for the year ended 30 June 2017

Accounting Policies

1.3 Impairment of assets

The Company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services provided in the normal course of business, net of trade discount, volume rebates and Value Added Tax.

Revenue comprises a City Improvement District Levy received from the City of Cape Town.

The City of Cape Town retains 3% of turnover for probable bad debts and therefore turnover is recognised at 97% of the invoiced amount.

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

Figures in Rand

2017

2016

2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	70,783	(65,501)	5,282	70,783	(55,865)	14,918
Furniture and fittings	7,300	(7,299)	1	7,300	(7,299)	1
Motor vehicle	263,334	(87,908)	175,426	263,334	(35,111)	228,223
Trailer	40,000	(23,333)	16,667	40,000	(15,333)	24,667
Total	381,417	(184,041)	197,376	381,417	(113,608)	267,809

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Total
Computer equipment	14,918	(9,636)	5,282
Furniture and fittings	1	-	1
Motor vehicle	228,223	(52,797)	175,426
Trailer	24,667	(8,000)	16,667
	267,809	(70,433)	197,376

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	15,681	14,835	-	(15,598)	14,918
Furniture and fittings	1	-	-	-	1
Motor vehicle	84,404	263,334	(73,853)	(45,662)	228,223
Trailer	32,667	-	-	(8,000)	24,667
	132,753	278,169	(73,853)	(69,260)	267,809

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the Company.

3. Trade and other receivables

Trade receivables		3,752	13,676
Prepayment		13,463	-
		17,215	13,676

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances		2,556,114	2,075,776
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Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Notes to the Financial Statements

Figures in Rand	2017	2016
5. Trade and other payables		
Trade payable for parking	51,123	13,864
Accrual	-	1,590
Deposit held	118,000	-
Provision: Audit Fees	63,771	53,300
Value Added Tax	35,343	183,819
	<u>268,237</u>	<u>252,573</u>
6. Revenue		
Rendering of services	<u>5,466,284</u>	<u>4,960,326</u>
7. Other income		
Parking income	1,217,143	977,978
Retention refund	220,595	886,517
Other income	-	36,146
	<u>1,437,738</u>	<u>1,900,641</u>
8. Taxation		
No provision has been made for S.A. Normal Taxation, as the Company is exempt from taxation in terms of Section 10(1)(cN) of the Income Tax Act of 1962.		
9. Auditor's remuneration		
Fees	58,630	53,300
(Over)/underprovision of the prior year	(10,361)	1,846
	<u>48,269</u>	<u>55,146</u>
10. Cash generated from operations		
Profit for the year	397,779	936,268
Adjustments for:		
Depreciation of fixed assets	70,433	69,260
Interest received	(1,224)	(753)
Changes in working capital:		
Trade and other receivables	(3,539)	212,722
Trade and other payables	15,664	220,271
	<u>479,113</u>	<u>1,437,768</u>
11. Directors' remuneration		
No emoluments were paid to the Directors or any individuals holding a prescribed office during the year.		

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Detailed Income Statement

Figures in Rand	2017	2016
Revenue		
Rendering of services	5,466,284	4,960,326
Other income		
Parking income	1,217,143	977,978
Retention refund	220,595	886,517
Profit on disposal of fixed assets	-	36,146
Interest received	1,224	753
	1,438,962	1,901,394
Expenses (Refer to page 16)	(6,507,467)	(5,925,452)
Surplus for the year	397,779	936,268

Green Point City Improvement District (NPC)

(Registration number 2001/014509/08)

Financial Statements for the year ended 30 June 2017

Detailed Income Statement

Figures in Rand	2017	2016
Operating expenses		
Accounting fees	37,300	-
Administration and management fees	664,826	624,000
Advertising	164,394	3,810
Auditor's remuneration	48,269	55,146
Bank charges	1,514	1,095
Cleaning	615,101	589,233
Computer expenses	17,161	9,385
Depreciation of fixed assets	70,433	69,260
Entertainment	16,483	5,797
Insurance	13,717	20,726
Lease rentals on operating lease	979	-
Marketing	-	122,975
Motor vehicle expenses	4,350	409
Parking expenses	1,243,015	1,286,274
Printing and stationery	1,724	3,272
Social responsibility and initiatives	8,622	682
Social responsibility and initiatives	3,537,961	3,116,791
Telephone and fax	36,844	16,597
Uniforms	24,774	-
	6,507,467	5,925,452