ORANJEKLOOF CITY IMPROVEMENT DISTRICT NPC

(Registration number 2002/000611/08)
Annual Financial Statements
for the year ended 30 June 2025

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Annual Financial Statements for the year ended 30 June 2025

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 Oranje-Kloof Area
Directors	Christiaan Ludolph Nelson Fick Leon Herman Fortes Bernd Michael Schulz Brett Edward Shaw Frances Mary Fortes Andrew Ian Paterson
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 10291 Mill Street 8010
Bankers	ABSA Bank Limited
Auditors	LPH Chartered Accountants Inc. Registered Auditors
Company registration number	2002/000611/08
Tax reference number	9436/239/14/0
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: Simon Wood

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The reports and statements set out below comprise the annual financial statements presented to the Oranjekloof City Improvement District NPC:

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 2026 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 page 6 to 8.

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

Leon Herman Fortes	**Brett Edward Shaw**
Date: 25 August 2025	**Date:** 25 August 2025.

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Oranjekloof City Improvement District NPC for the year ended 30 June 2025.

1. Nature of business

Oranjekloof City Improvement District NPC was incorporated in South Africa and its primary objective is enhancing and supplementing municipal services provided by the City of Cape Town within the Oranje-Kloof Area. The Company operates in South Africa.

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

2. 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.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

3. Directors

The directors in office during the year, and to the date of this report, are as follows:

Directors
Christiaan Ludolph Nelson Fick
Leon Herman Fortes
Bernd Michael Schulz
Brett Edward Shaw
Frances Mary Fortes
Andrew Ian Paterson

There have been no changes to the directorate for the period 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 end of the financial year, up to and including the date the annual financial statements were approved, not otherwise dealt with in this report or the annual financial statements, that would significantly affect the operations of the company or the results of those operations.

6. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable 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 that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Directors' Report

7. Independent Auditor

LPH Chartered Accountants Inc. will continue in office as auditor for the company in the coming financial year.

Independent Auditor's Report

To the Directors of Oranjekloof City Improvement District NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Oranjekloof City Improvement District NPC (the company) set out on pages 9 to 16, which comprise the statement of financial position as at 30 June 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 Oranjekloof City Improvement District NPC as at 30 June 2025, 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 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 Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa, as well as the supplementary information as set out on page 17. The 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, to 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.

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.

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 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.

LPH Chartered Accountants Inc.
Registered Auditors
Per: ER Livesey
Director
Chartered Accountant (SA)
Registered Auditor

Cape Town

Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	77 795	153 322
Current Assets			
Cash and cash equivalents	3	4 245 764	3 986 441
Total Assets		**4 323 559**	**4 139 763**
Reserves and Liabilities			
Reserves			
Accumulated surplus		4 253 954	4 046 346
Establishment surplus		35 510	35 510
		4 289 464	**4 081 856**
Liabilities			
Current Liabilities			
Trade and other payables	4	34 095	57 907
Total Reserves and Liabilities		**4 323 559**	**4 139 763**

Statement of Comprehensive Income

Figures in Rand	Note(s)	2025	2024
Revenue	5	9 274 136	8 753 068
Operating expenses		(9 213 502)	(9 193 785)
Operating surplus (deficit)		**60 634**	**(440 717)**
Interest received		146 974	141 835
Surplus (Deficit) before taxation		**207 608**	**(298 882)**
Taxation	7	-	-
Surplus (Deficit) for the year		**207 608**	**(298 882)**
Other comprehensive surplus		-	-
Total comprehensive surplus for the year		**207 608**	**(298 882)**

Statement of Changes in Equity

Figures in Rand	Establishment surplus	Accumulated surplus	Total reserves
Balance at 01 July 2023	**35 510**	**4 345 228**	**4 380 738**
Deficit for the year	-	(298 882)	(298 882)
Other comprehensive surplus	-	-	-
Total comprehensive deficit for the year	**-**	**(298 882)**	**(298 882)**
Balance at 01 July 2024	**35 510**	**4 046 346**	**4 081 856**
Surplus for the year	-	207 608	207 608
Other comprehensive surplus	-	-	-
Total comprehensive surplus for the year	**-**	**207 608**	**207 608**
Balance at 30 June 2025	**35 510**	**4 253 954**	**4 289 464**
Note(s)			

Statement of Cash Flows

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	8	112 349	(385 901)
Interest income		146 974	141 835
Net cash from operating activities		**259 323**	**(244 066)**
Cash flows from investing activities			
Acuisition of property, plant and equipment	2	-	(41 290)
Total cash movement for the year		**259 323**	**(285 356)**
Cash at the beginning of the year		3 986 441	4 271 797
Total cash at end of the year	3	**4 245 764**	**3 986 441**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Boards, 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 items that:
- are held for use in the production or supply of goods or services, 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.

Costs 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, which is as follows:

Item	**Average useful life**
Security systems	10 years
Trailer	10 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 disposal are recognised in surplus or deficit.

1.2 Financial instruments

Initial recognition and 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 deficit) 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 case expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amount 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.

Accounting Policies

1.2 Financial instruments (continued)

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 surplus and deficit.

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 that an asset may be impaired, 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 surplus or deficit.

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 surplus or deficit.

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 discounts, volume rebates and Value-Added Tax.

Revenue comprises of income received from the City of Cape Town for services rendered.

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

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Security systems	442 875	(365 081)	77 794	442 875	(289 554)	153 321
Trailer	38 000	(37 999)	1	38 000	(37 999)	1
Total	**480 875**	**(403 080)**	**77 795**	**480 875**	**(327 553)**	**153 322**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Depreciation	Closing balance
Security systems	153 321	(75 527)	77 794
Trailer	1	-	1
	153 322	**(75 527)**	**77 795**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Security systems	193 994	41 290	(81 963)	153 321
Trailer	1	-	-	1
	193 995	**41 290**	**(81 963)**	**153 322**

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. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Bank balances	4 245 764	3 986 441

4. Trade and other payables

	2025	2024
Provision: Accounting fees	-	4 826
Provision: Audit fees	12 821	35 000
Value-Added Tax	21 274	18 081
	34 095	**57 907**

5. Revenue

	2025	2024
Additional Rates Received	9 274 136	8 753 068

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

6. Auditor's remuneration

Fees	-	30 000

7. Taxation

Major components of the tax expense

Current taxation		
Local normal tax - current period	-	-

No provision has been made for taxation as the company is exempted from income tax in terms of Section 10(1)(d)(iii) of the Income Tax Act.

8. Cash generated from (used in) operations

Net (deficit) surplus before taxation	207 608	(298 882)
Adjustments for:		
Depreciation	75 527	81 963
Investment income	(146 974)	(141 835)
Changes in working capital:		
Increase (decrease) in trade and other payables	(23 812)	(27 147)
	112 349	**(385 901)**

9. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

Detailed Income Statement

Figures in Rand	Note(s)	2025	2024
Revenue			
Additional Rates Received		9 274 136	8 753 068
Operating expenses			
Accounting fees		66 000	63 000
Additional public safety / law enforcement		246 411	420 000
Administration and management fees		642 936	399 000
Auditor's remuneration	6	-	30 000
Bank charges		3 072	3 570
Bonus		30 044	30 512
Catering and food		-	23 434
Cleaning services		662 078	764 545
Computer expenses		15 114	13 999
Depreciation		75 527	81 963
Environmental upgrades - landscaping		38 221	186 610
Insurance		15 814	15 389
Law enforcement officers		378 272	338 418
Marketing and promotions		182 280	167 355
Meeting expenses		29 960	23 402
PAYE, UIF and SDL		231 051	230 547
Public safety		6 143 015	5 722 960
Public safety - CCTV monitoring		18 000	18 000
Salaries and wages		400 474	401 775
Secretarial duties		-	450
Social upliftment		34 172	237 865
Telecommunication		1 061	20 991
		9 213 502	**9 193 785**
Operating surplus (deficit)		**60 634**	**(440 717)**
Interest received		146 974	141 835
Surplus (Deficit) before taxation		**207 608**	**(298 882)**
Taxation	7	-	-
Surplus (Deficit) for the year		**207 608**	**(298 882)**