

# ANNUAL REPORT

**Elsies River City Improvement District NPC**  
**Annual Report and Financial Statements**  
**for the year ended 30 June 2024**



Our online report is available at [www.ercid.co.za](http://www.ercid.co.za)

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## PART A: GENERAL INFORMATION

### 1. GENERAL INFORMATION

<b>Company:</b>	Elsies River City Improvement District NPC (ERCID) Non-Profit Company	
<b>Company Registration No:</b>	2015/169342/08	
<b>Registered Office:</b>	2, 12th Street, Elsies River Industrial, Cape Town, 7480	
<b>VAT No:</b>	4610269823	
<b>ERCID Directors:</b>		
Gary Castle	-	Radeen Fashions
Adrian Bowring	-	Weavewell
Cobus Maritz	-	Granite Connection
David Srubis	-	Kales Marble
<b>Ward</b>	-	26
<b>Sub-Council</b>	-	4
<b>Principle Board Observer</b>	-	Franchesca Walker - Franchesca.Walker@capetown.gov.za
<b>Alternative Board Observer</b>	-	Tami Jackson - Tami.Jackson@capetown.gov.za
<b>Sub-Council Manager</b>	-	Ardela van Niekerk - Ardela.vanNiekerk@capetown.gov.za
<b>Auditors</b>	-	C2M Chartered Accountants
<b>Accountant</b>	-	Nicolene Cooke's Accounting Services
<b>Company Secretarial Duties</b>	-	C2M Chartered Accountants
<b>ERCID Management</b>	-	Geocentric Urban Management 2, 12 <sup>th</sup> Street Elsies River, 7490 info@geocentric.co.za www.geocentric.co.za 021 565 0901
<b>ERCID Manager</b>	-	
Heinrich Cobus	-	061 194 1187 - ercid@geocentric.co.za
<b>Emergency Contact Details</b>	-	
Control Room	-	021 565 0900
<b>Public Safety Service Provider</b>	-	Byers Security Solutions

**2. LIST OF ABBREVIATIONS/ACRONYMS**

ERCID	Elsies River City Improvement District
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CCT	City of Cape Town
KPI	Key Performance Indicators
SCM	Supply Chain Management

### 3. FOREWORD BY THE CHAIRPERSON

Dear Stakeholders,

I am pleased to present the Chairperson's Report for the Elsies River City Improvement District (ERCID) for the financial year ending 30 June 2024. It is with great pride that I reflect on the progress we have made, as well as the challenges we have encountered, as we continue to serve our community and enhance the Elsies River industrial area.

The Elsies River City Improvement District remains committed to delivering supplementary municipal services beyond those provided by the City of Cape Town, including public safety, urban cleaning, urban maintenance, greening, and social upliftment. Our mission has remained constant, even as our operating environment shifts in response to the economic, social, and safety challenges facing our city.

#### Addressing Operational Challenges

Despite the current relief from load shedding and the load curtailment programme in Elsies River Industrial, the persistent and unpredictable outages have required us to equip critical CCTV infrastructure with battery backup systems, ensuring consistent surveillance and security.

In addition, the impact of two consecutive wet winters with above average rainfall has been severe on our road and storm water infrastructure. The City of Cape Town faces significant demands for road repairs, resealing, and resurfacing, and the Elsies River industrial area is no exception. The management and Board of the ERCID remains in constant communication with the relevant City departments to ensure that the repair and maintenance of our roads and stormwater infrastructure are prioritised.

#### Key Achievements

Despite these challenges, the ERCID has made notable progress in various areas over the past year:

1. **Memorandums of Agreement:** We successfully signed long-awaited Memorandums of Agreement with the Road Infrastructure Management and Parks and Recreation Departments. These agreements will formalize and strengthen our urban maintenance and greening initiatives, allowing us to enhance public spaces and improve the quality of the environment in Elsies River industrial.
2. **Public Safety and Security:** Our ongoing partnership with law enforcement agencies and private security providers continues to make a positive impact on the safety of the Elsies River City Improvement District. This year, we introduced several additional AI-powered cameras to our CCTV network, which have significantly enhanced our ability to monitor and respond to security concerns. We remain committed to proactively addressing the safety and security needs of businesses and property owners in the industrial area.
3. **Urban Maintenance and Cleaning:** Our dedicated teams continue to work tirelessly to maintain the cleanliness and appearance of our streets and public spaces. Their hard work and diligence ensure that the Elsies River City Improvement District remains an attractive and well-maintained area, despite the challenges posed by high foot and vehicle traffic and adverse weather conditions.

#### Looking Forward

As we move into the future, careful budget planning and resource allocation will remain crucial. We are aware of the financial pressures on property and business owners, and we continue to prioritize delivering high-quality services while maintaining fiscal responsibility. Every decision we make is guided by a commitment to balance efficiency with impact, ensuring that the Elsies River industrial area remains a valuable asset to the community.

**Conclusion**

In closing, I would like to express my deepest gratitude to our partners, stakeholders, and the entire Elsies River business community for their unwavering support and commitment to our mission. The progress we have made would not have been possible without your cooperation and dedication. Together, we will continue to build a stronger, safer, and more vibrant industrial area.

Thank you for your ongoing trust and support.

Sincerely,

**Adrian Bowring**

**Chairperson**

**Elsies River City Improvement District Non-profit Company**

#### 4. ELSIES RIVER CITY IMPROVEMENT DISTRICT MANAGEMENT OVERVIEW

We take pride in reporting another successful year of operations for the Elsie River City Improvement District (ERCID). As we continue to provide supplementary municipal services to this industrial area, we are pleased to outline our progress and efforts over the past year, despite the ongoing challenges of load shedding and increased activity in the district.

Our financial performance remains strong and focused on delivering essential supplementary services that enhance the Elsie River community. Below, we highlight our operational achievements and strategic initiatives during the reporting period:

##### **Operational Achievements:**

**Public Safety:** Public safety remains a top priority for ERCID. Our continued partnership with our public safety service provider and consistent maintenance of the CCTV network have ensured the area remains secure. Notably, the AI-enabled cameras implemented in previous years have made significant contributions to the early detection of criminal behaviour, allowing us to intervene before crimes escalate. The installation of battery backups on key cameras has been particularly impactful, ensuring that even during load shedding, critical public infrastructure remains under constant surveillance and protection.

**Urban Maintenance:** This year, we signed a Memorandum of Agreement with the Road Infrastructure Management Department of the City of Cape Town, formalizing our role in addressing pressing urban maintenance issues in the area. This agreement allows us to take on specific maintenance tasks under the guidelines and oversight of the department, improving efficiency in maintaining public spaces.

**Urban Greening Initiatives:** Our urban greening projects continue to thrive. This year, we expanded these efforts by adding another potted garden and a welcoming sign to Elsie River. Additionally, the ERCID signed a Memorandum of Agreement with the Parks and Recreation Department, which will allow us to undertake future maintenance of public open spaces, further enhancing the area's visual appeal.

**Social Upliftment:** We are proud of our social upliftment efforts, which integrate with our urban cleaning and maintenance initiatives. By partnering with Mould Empower Serve (MES), we have provided interim work opportunities to individuals currently living in shelters. This initiative not only supports vulnerable community members but also contributes to the upkeep and cleanliness of the area.

##### **Strategic Initiatives:**

To continue addressing the unique challenges in Elsie River, we have implemented the following strategies and initiatives:

- a. Enhanced Security:** We expanded our AI network to improve the early warning and detection of criminal activities. Our commitment to safeguarding public infrastructure, including streetlights, electrical systems, water, and sewer reticulation, remains steadfast.
- b. Urban Maintenance and Cleaning:** Through our agreement with the Road Infrastructure Management Department, we plan to upskill our cleaning and maintenance team, enabling them to perform additional tasks such as pothole repairs, road marking, and street sign maintenance.
- c. Infrastructure Monitoring:** We remain vigilant about the impact of heavy vehicle movements on the area's infrastructure. Robust communication with City departments has helped us address and repair damage in a timely manner. We are also working to improve the operational standards of recycling businesses in Elsie River, urging them to act responsibly and consider the impact on other businesses.

**d. Social Upliftment:** Our ongoing collaboration with MES and the integration of social upliftment projects into our operations will continue to create work opportunities for vulnerable individuals, enhancing both their livelihoods and the community's well-being.

**Acknowledgments:**

We extend our sincere gratitude to the following groups and individuals for their invaluable contributions over the past year:

- **Board of Directors:** Your guidance and commitment have been vital to our achievements.
- **Ward Councillor:** Your support and advocacy have been instrumental in our success.
- **City Departments:** We appreciate the collaboration and assistance provided by various City departments.
- **SAPS:** We thank you for your critical role in maintaining public safety.
- **Property Owners:** Your financial contributions sustain the operations of the ERCID, and we thank you for your ongoing commitment to our community.

**Looking Ahead:**

As we move forward, we remain committed to our mission of enhancing the quality of life in Elsie's River. We will continue to adapt, innovate, and collaborate to overcome challenges and capitalize on new opportunities. Together, we will build a stronger, safer, and more vibrant Elsie's River for all.

Thank you for your ongoing trust and support.

Sincerely,

**Gene Lohrentz**

**Chief Executive Officer**

**Geocentric Urban Management**



## **5. 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 C2M Auditors Inc.
- 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 30 August 2024 and signed on behalf by:

**Adrian Bowring**  
**Chairperson of the Board**

## 6. STRATEGIC OVERVIEW

### 6.1. Vision

The Elsie's River City Improvement District (ERCID) was formally established in 2015 providing top up public safety and urban cleaning services in close cooperation with the City's Cleansing and Law Enforcement Departments as well as the SAPS to regain the cleanliness of the area and safety of property and business owners and the community. Elsie's River Industrial area supports a business mix including some light industries, specifically in the textile and clothing sector (with some factory shop outlets) as well as various industrial parks and a retail spine along Halt Road.

The area has improved in terms of cleaning and urban infrastructure upgrades and progress has been made to address the negative impact of specific problem buildings in the area. The ERCID aims to continue to motivate property owners to enhance their investments and work closely with the City of Cape Town to upgrade its facilities around the Public Transport Interchange.

### 6.2. Mission

Our mission is to sustain a turn-around strategy to halt the urban degeneration of the area thereby creating a safe and attractive industrial area.

Our strategy for promoting that vision is detailed in our Business Plan, available online at [www.ercid.co.za](http://www.ercid.co.za)

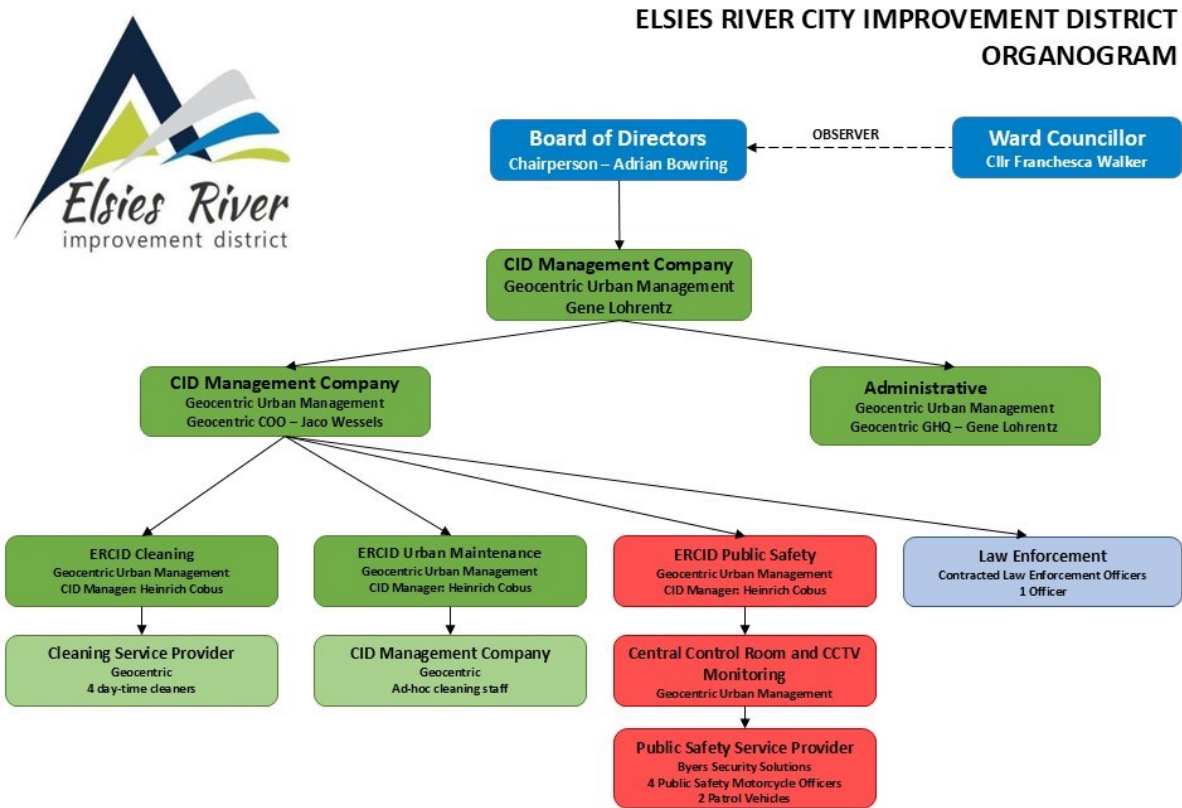
### 6.3. Our Goals

- Improve Public Safety significantly by proactive visible patrolling and cooperation with existing SAPS and City of Cape Town Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces.
- Manage existing and new public infrastructure for the future benefit of all the users of the area.
- Protect property values.
- Attract new investment to the area.
- Support and promote social responsibility in the area
- The sustained and effective management of the ERCID area.

## **7. STATUTORY MANDATE**

In terms of the CID By-law and s.22 of the Municipal Property Rates Act, the Elsie River City Improvement District NPC is tasked with considering, developing and implementing improvements and upgrades to the Elsie River City Improvement District area 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 and 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").

## 8. ORGANISATIONAL STRUCTURE



## 9. MEET YOUR TEAM



### Geocentric Urban Management Team

**Gene Lohrentz**  
Chief Executive Officer

- Company enquiries
- Proposals
- Community groups and liaison

Contact Details

gene@geocentric.co.za  
083 255 7657

**Jaco Wessels**  
Chief Operating Officer

- Operational enquiries
- Control Room issues
- Collaboration requests
- CCTV enquiries

Contact Details

jaco@geocentric.co.za  
062 650 3322

**Wejaen Viljoen**  
Admin & Information Manager

- Admin enquiries
- Reports
- AGM enquiries
- Board Meeting enquiries
- HR enquiries

Contact Details

wejaen@geocentric.co.za  
062 753 4779

**Heinrich Cobus**  
CID Manager

- Day-to-day Operations

Contact Details

ercid@geocentric.co.za  
061 194 1187

For emergencies contact our 24-hour Control Room on 021 565 0900 or info@geocentric.co.za or visit our website geocentric.co.za

Join our community WhatsApp group for realtime updates by sending a message with your name, surname, business name and business street address to 081 869 8911.

## **PART B: PERFORMANCE INFORMATION**

### **1. SITUATIONAL ANALYSIS**

#### **1.1. Service delivery environment**

Through the efforts of the ERCID the area has been upgraded and maintained. The ERCID successfully achieved the support of its members to extend its term for an additional five years in 2020. During this term the ERCID is repositioning itself to address the significant impact ongoing infrastructure theft and criminal activities and reduce the potential for urban decay, traffic congestion, littering and increased opportunities for crime that may impact the entire ERCID area.

In the light of these challenges the ERCID aims to continue to enhance the area and work closely with the City of Cape Town to upgrade its facilities around the Public Transport Interchange and the Elsie River station.

#### **1.2. Organisational environment**

Many of the day-to-day activities such as meetings, Board meetings, contact with community organisations and engagements with the City of Cape Town was hampered by the national lockdown. Nonetheless, online video conferencing proved invaluable to maintain progress and momentum.

### **2. STRATEGIC OBJECTIVES**

Strategically, the ERCID works in partnership with the City of Cape Town and the property and business owners towards the economic upliftment of the area by maintaining a level of safety and cleanliness to promote the use of and investment in the area. This is achieved through:

- Increased public safety
- Encouraging the maintenance and upgrading of private properties and public spaces in the area.
- Creating a clean and well-maintained public environment
- Assist with the management and solution to the issues of people living on the streets of Elsie River.

### **3. COMPLAINTS PROCESS**

The ERCID offers numerous channels for dealing with complaints. Formal complaints are lodged to the ERCID management via email. The ERCID management will act on the complaint including one or more of the following actions:

- Referring serious complaints to the COO and CEO of the management company and/or the Board
- Meeting with the complainant to understand the problem and address the issue
- Scheduling the necessary tasks or actions to resolve the matter by the ERCID team
- Logging a service request with the City of Cape Town
- Communicating with the complainant on the actions taken
- Follow-up process and communication with the complainant until the matter is resolved

- Complaints are also received via website contact messages, email replies to newsletters and feedback via various social media platforms including dedicated WhatsApp groups which are monitored via the central control room.
- Telephonic complaints are also dealt with via the operational managers, or the central control room and the central control room number is visible on all patrol vehicles.

Most of the complaints relate to crime incidents or perceived criminal activity or relates to illegal dumping. Unless immediate response is required, safety and crime incidents are dealt with through our monthly meetings with the SAPS or through the adjustment of our public safety deployment plans. Illegal dumping is either cleared by the ERCID cleaning team as soon as possible or if necessary, a service request is logged with the City of Cape Town and followed up until completed.

## 4. PERFORMANCE INFORMATION

### 4.1. Public safety

4.1.1. To improve safety and security the ERCID developed a comprehensive and integrated public safety plan for the area in conjunction with an appointed service provider. These actions include coordination and cooperation with:

- The South African Police Service
- Local Community Policing Forums
- Other existing security services in the area
- City of Cape Town Safety and Security Directorate
- Community organisations
- Other stakeholders

4.1.2. The ERCID initiative and the inherent security situation of the area require the deployment of public safety patrol officers to adequately secure the public areas. Such a deployment can be expensive to implement and therefore the focus of the public safety plan is on roaming vehicles and foot patrols with the highest number of resources deployed during day-time operations between 06:30 and 17:30 when most businesses are operational in the area. Considering the contributions from other stakeholders such as the SAPS and safety and security efforts from the City of Cape Town the following public safety and security plan is proposed for the ERCID.

4.1.3. This plan involves the deployment of Public Safety Patrol Officers (like the concept of Neighbourhood Safety Ambassadors) and public CCTV surveillance system to provide a reassuring presence on streets 7 days a week.

4.1.4. The public safety patrol officers are brightly uniformed ambassadors that help to maintain an inviting and comfortable experience by serving as additional “eyes and ears” for local law enforcement agencies. They are the face of the area. Typically, they get to know their neighbourhood and community very well and often serve as a first point of contact for emergency needs, help law enforcement to maintain order and provide an additional deterrent to crime through their consistent coverage and visibility. Public Safety Patrol Officers are equipped with two-way radios and walk or patrol the area at key times of the day. They become an integral part of general law enforcement, often being the ones to identify public safety

issues and form an extension of the SAPS and the local authority law enforcement. A small group of well-trained public safety patrol officers have proven to be very successful in securing an area through active engagement with all people in the precinct. Additional training of patrol officers is required to become knowledgeable on issues such as public safety and reporting, first aid and first-responder training, communication skills and homeless outreach services. Beyond basic training the Public Safety Patrol Officers develop a keen awareness and information of specific neighbourhood safety issues including drug trade, gang presence, poverty, social issues, criminal activity, and behaviour. If required patrol officers also provide walking escorts to people entering businesses early or staff leaving work late or elderly and vulnerable people feeling insecure.

4.1.5. The public safety plan includes:

- 2 x public safety patrol officers patrolling the area on motorcycle, Monday – Friday during the daytime (06:30 – 17:30). Alternatively 4x public safety foot patrollers.
- 2 x public safety patrol vehicles patrolling the area on a 24/7 basis.
- Radio communications network.
- Centralised Control Room and CCTV monitoring
- CCTV camera network comprising of cameras and monitoring as set out in the implementation plan time scale.

4.1.6. Assistance from the City of Cape Town

4.1.7. The ERCID will further enhance its public safety initiative through close co-operation with the Safety and Security Directorate of the City of Cape Town to link in with their initiative to support a safer public environment. This effort will be focused on utilising the services of Law Enforcement officers from the City of Cape Town in the area.

4.1.8. The activities of the Public Safety Officers and patrols are measured through a comprehensive management system for the logging of public safety incidents. The logging, mapping and analysis of these incident reports informs the adjustment of the public safety deployment plan for the area. The deployment plan is revised monthly.

### ***Public safety performance information***

ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
1. Identify the root causes of crime in conjunction with the SAPS, Local Authority and existing Public Safety service using their experience as well as available crime and public safety incident statistics.	Incorporate in Public Safety Management Plan	Ongoing	

ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
2. Determine the Crime Threat Analysis of the CID area in conjunction with the SAPS, determine strategies by means of an integrated approach to improve public safety, identify current Public Safety and policing shortcomings and develop and implement effective public safety strategy	Incorporate in Public Safety Management Plan	Ongoing	
3. Deploy Public Safety resources accordingly and effectively on visible patrols. Public Safety personnel and patrol vehicles to be easily identifiable	Effective Safety and Public Safety patrols in the ERCID measured by:  Daily attendance registers Incident reports Patrol vehicle tracking reports Patrol vehicle patrol logs	Ongoing	Public safety officers are inspected and posted to their patrols daily. The Public safety officer's performance is measured on a weekly basis using the incident reports submitted via the incident reporting system and the public safety WhatsApp groups.
4. Assist the police through participation by ERCID in the local Police sector crime forum.	Incorporate feedback and information in Public Safety and safety initiatives of the ERCID Report on any Public Safety information of the ERCID to the CPF	Monthly	
5. Monitor and evaluate the Public Safety strategy and performance of all service delivery on a quarterly basis	Report findings to the ERCID Board with recommendations where applicable	Quarterly	
6. Deploy CCTV cameras monitored by a CCTV Control Room	Effective use of CCTV cameras through monitoring	Ongoing	

**IMPROVE AND CONTINUALLY ASSESS ALIGNMENT OF RESOURCES WITH SAFETY NEEDS OF LOCAL COMMUNITY**

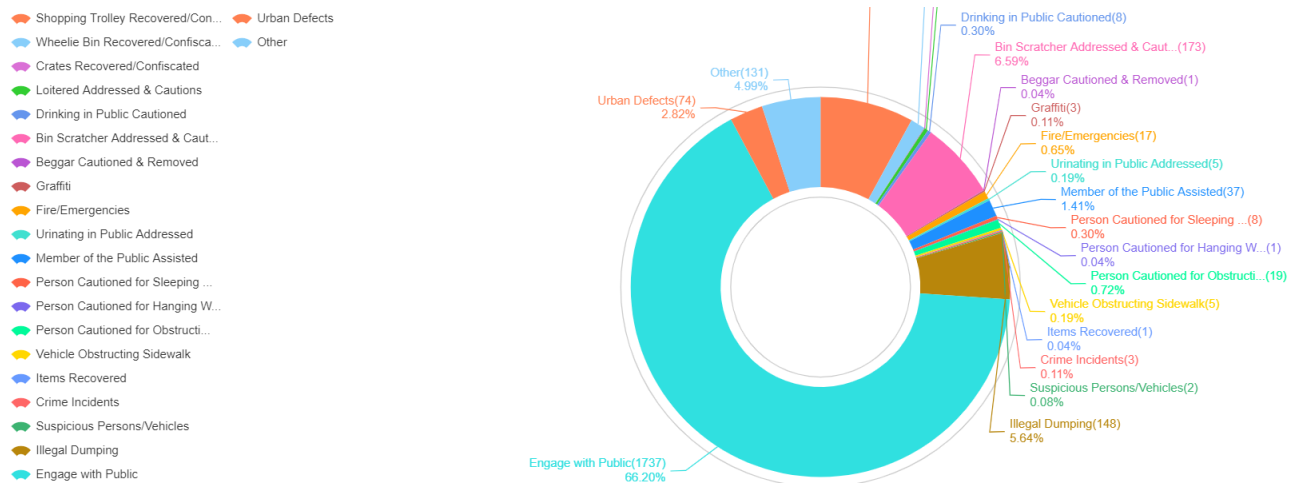
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
7. Deploy Law Enforcement Officers in the ERCID in support of the Public Safety Initiative	Measure effectiveness through Law Enforcement Statistics	Monthly	
8. Weekly Public Safety Reports from Contract Public Safety Service Provider	Report findings to the ERCID Board with recommendations where applicable  Incident reports Patrol vehicle tracking reports Patrol vehicle patrol logs	Weekly	<b>Incident reports</b> See the Table and Graph below <b>Patrol vehicle patrol logs</b> See the Table below
9. Identify "hot spot" areas.	Number of "hot spot" areas identified and the number of "hot spot" visitation for the reporting period	Monthly	See the Table Below



**Public Safety Incidents Summary Report**

Type	Count
Shopping Trolley Recovered/Confiscated	209
Wheelie Bin Recovered/Confiscated	33
Crates Recovered/Confiscated	1
Loitered Addressed & Cautions	8
Drinking in Public Cautioned	8
Bin Scratcher Addressed & Cautioned	173
Beggar Cautioned & Removed	1
Graffiti	3
Fire/Emergencies	17
Urinating in Public Addressed	5
Member of the Public Assisted	37
Person Cautioned for Sleeping in Public Space	8
Person Cautioned for Hanging Washing in Public	1
Person Cautioned for Obstructing Sidewalk	19
Vehicle Obstructing Sidewalk	5
Items Recovered	1
Crime Incidents	3
Suspicious Persons/Vehicles	2
Illegal Dumping	148
Engage with Public	1 737
Urban Defects	74
Other	131
<b>TOTAL</b>	<b>2 624</b>

**Public Safety Incidents Graph**



From 1 July 2023 to 30 June 2024 the two patrol vehicles logged the following number of patrol kilometres:

Patrol Vehicle 1:	60 405 km
Patrol Vehicle 2:	50 036 km
<b>Total:</b>	<b>110 441 km</b>

- The ERCID’s overall strategy to address the challenge is based on a multi-disciplinary approach which includes the following measures:
  - Deploy CCTV cameras to enhance the deployment of the Public Safety Operations.

**4.1.9. Resource Allocation**

- During the reporting period the ERCID deployed two public safety motorcycle patrollers and two patrol vehicles during the daytime and a public safety officer in each of the two patrol vehicles at night.
- A budget of R 2 280 640 was expended on the Public Safety deployments for the year and an additional R 143 940 was allocated for CCTV monitoring. The contracted Law Enforcement Officer contract budget was R 225 612 for the reporting period.

Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as “2023/2024”)

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
<b>Public Safety</b>	R 2 120 470	R 2 119 524	R 946	R 2 281 000	R 2 280 640	R 360
<b>CCTV Monitoring</b>	R 137 160	R 134 640	R 2 520	R 143 940	R 143 940	-

<b>Law Enforcement</b>	R 215 000	R 214 011	R 989	R 226 000	R 225 612	R 388
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#### 4.2. Maintenance and cleansing services

4.2.1. The ERCID deployed the services of a dedicated public cleaning service to provide the supplementary service or additional cleaning services required in their area. To establish the most effective cleaning plan the strategy supports existing waste management services, identify specific management problems and areas, and assist in developing additional waste management and cleaning plans for the area.

4.2.2. The plan was executed by a small team to:

- Decrease waste and grime in the area through a sustainable cleaning programme.
- Provide additional street sweeping, waste picking and additional refuse collection in all the public areas.
- Removal of illegal posters, graffiti, and stickers from non-municipal infrastructure.

4.2.3. Urban infrastructure was improved by:

- Developing and implementing a plan to identify and monitor the status of public infrastructure such as roads, pavements, streetlights, road markings and traffic signs.
- Coordinating actions with the relevant City of Cape Town's departments to address infrastructure defects. This was done through specific liaison with departments and officials in addition to the reporting and monitoring of repairs identified by the CID Manager.
- After a base level of repair and reinstatement was achieved the ERCID team implemented local actions to correct minor issues.

4.2.4. In addition, the urban management team, in consultation with the relevant City Departments assisted with:

- Graffiti removal from non-municipal infrastructure where possible.
- Removal of illegal posters and pamphlets from public spaces and non-municipal infrastructure as noted in the ERCID Implementation Plan.
- Painting of road markings and correction of road signs.
- Greening, tree pruning and landscaping.
- Kerb, bollard and paving reinstatements.
- Storm water drain cleaning where required.

4.2.5. The cleaning contingent deployed teams in various areas and rotated through the ERCID. Some of the team members were recruited from homeless people seeking gainful employment and on-the-job training was provided to improve their skills and utilisation. The cleaning and urban maintenance team includes:

- 3 x urban management workers per day. The shifts run Monday to Friday
- 1 x urban management supervisor

**Cleansing and Urban Maintenance performance information**

<b>PROVIDE A CLEANER PUBLIC SPACE</b>			
<b>ACTION STEPS</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>FREQUENCY per year</b>	<b>Comments</b>
1. Develop cleaning strategy to guide delivery from appointed service delivery provider	Measure effectiveness through Cleaning Statistics	Monthly	
2. Provide (on own initiative or in collaboration with CCT) additional litter bins in public spaces.	Record and Report findings to the ERCID Board and the CCT with recommendations where applicable	Annually	
3. Provide clean streets & sidewalks (i.e. cleaning of municipal bins & removing street litter).	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below
4. Remove Illegal Dumping from Public Spaces	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below

<b>RENEWING PUBLIC SPACES</b>			
<b>ACTION STEPS</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>FREQUENCY per year</b>	<b>Comments</b>
5. Remove graffiti in public spaces	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below
6. Remove unlawful or unsightly stickers and posters from public infrastructure	Measure effectiveness through Cleaning Statistics	Monthly	See the Table and Graph below

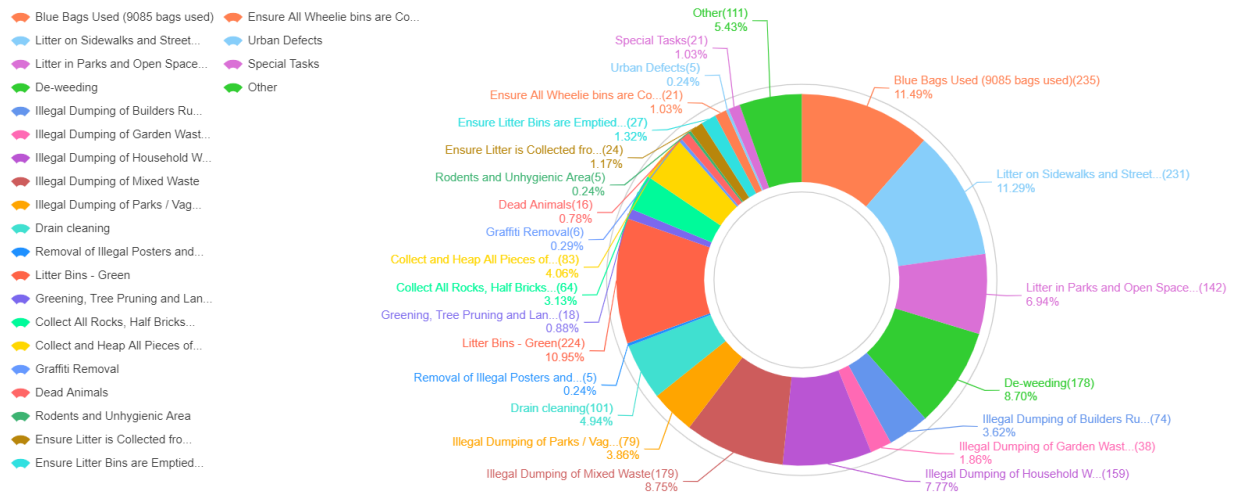
<b>PROVIDE A WELL-MAINTAINED PUBLIC SPACE</b>			
<b>ACTION STEPS</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>FREQUENCY per year</b>	<b>Comments</b>
1. Develop an urban maintenance strategy to guide delivery from appointed service delivery provider	Measure effectiveness through Urban Maintenance Statistics	Monthly	
2. Identify and report urban defects through collaboration with CCT	Record and Report findings to the ERCID Board and the CCT with follow-up action where applicable  Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below
3. Identify and plan the correction of urban defects and beautification of public infrastructure through repair, cleaning, and painting.	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below

<b>MAINTENANCE OF PUBLIC GREEN AREAS</b>			
<b>ACTION STEPS</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>FREQUENCY per year</b>	<b>Comments</b>
1. Mow street verges	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below
2. Tree pruning and landscaping.	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below

### ***Urban Cleaning Summary Report***

<b>Type</b>	<b>Count</b>
Blue Bags Used	9 085
Litter on Sidewalks and Streets	231
Litter in Parks and Open Spaces	142
De-weeding	178
Illegal Dumping of Builders Rubble	74
Illegal Dumping of Garden Waste	38
Illegal Dumping of Household Waste	159
Illegal Dumping of Mixed Waste	179
Illegal Dumping of Parks / Vagrants	79
Drain cleaning	101
Removal of Illegal Posters and Pamphlets from Public Spaces and Non-municipal Infrastructure	5
Litter Bins - Green	224
Greening, Tree Pruning and Landscaping	18
Collect All Rocks, Half Bricks, Concrete Pieces	64
Collect and Heap All Pieces of Wood and Other Objects	83
Graffiti Removal	6
Dead Animals	16
Rodents and Unhygienic Area	5
Ensure Litter is Collected from City	24
Ensure Litter Bins are Emptied from City	27
Ensure All Wheelie bins are Collected	21
Urban Defects	5
Special Tasks	21
Other	111
<b>TOTAL</b>	<b>2 046</b>

**Urban Cleaning Graph**



**Urban Management Tasks Summary Report**

Category	Sub-Category	Uncompleted	Underway	Completed	Total
City Parks (Maintenance)	Mowing	0	2	3	5
City Parks (Maintenance)	Tree removal	0	1	0	1
<b>City Parks (Maintenance) Total</b>		<b>0</b>	<b>3</b>	<b>3</b>	<b>6</b>
Electricity (Domestic & Commercial Supply)	No power supply	0	1	2	3
<b>Electricity (Domestic &amp; Commercial Supply) Total</b>		<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>
Electricity (Equipment damage & exposure)	Equipment damaged	0	3	0	3
Electricity (Equipment damage & exposure)	Exposed cable	0	1	1	2
Electricity (Equipment damage & exposure)	Kiosk damaged	0	0	1	1
<b>Electricity (Equipment damage &amp; exposure) Total</b>		<b>0</b>	<b>4</b>	<b>2</b>	<b>6</b>
Electricity (Street lighting)	All streetlights are out	8	50	21	79
Electricity (Street lighting)	Individual streetlights are out	0	4	10	14

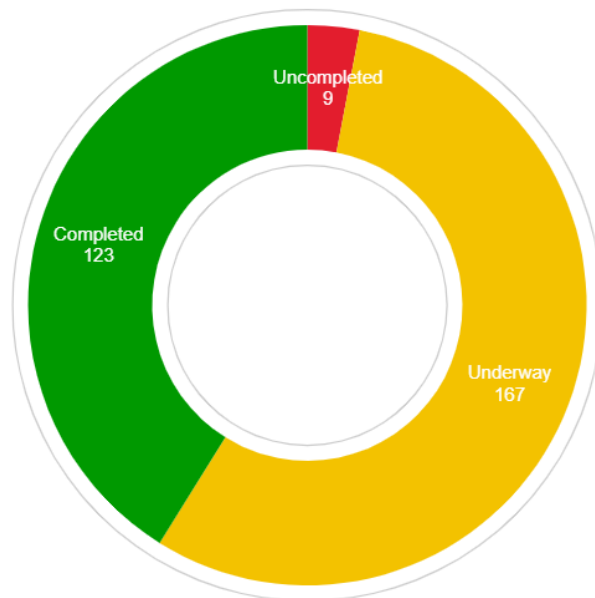
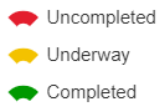
Category	Sub-Category	Uncompleted	Underway	Completed	Total
<b>Electricity (Street lighting) Total</b>		<b>8</b>	<b>54</b>	<b>31</b>	<b>93</b>
Fire-Fighting Services	Faulty hydrants	0	1	1	2
<b>Fire-Fighting Services Total</b>		<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>
Law Enforcement	Backyard repairs	0	2	2	4
Law Enforcement	Graffiti	0	0	1	1
Law Enforcement	Liquor outlets/licences	0	0	1	1
<b>Law Enforcement Total</b>		<b>0</b>	<b>2</b>	<b>4</b>	<b>6</b>
Litter Bins (Public)	New or additional litter bins required	0	1	0	1
<b>Litter Bins (Public) Total</b>		<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>
Roads and storm water (Maintenance required)	Paint or repaint road marking, lines, etc.	0	22	7	29
Roads and storm water (Maintenance required)	Repair a pothole	0	6	6	12
Roads and storm water (Maintenance required)	Repair or replace bollards, guards or handrails	0	0	1	1
Roads and storm water (Maintenance required)	Repair road or footway	0	20	2	22
<b>Roads and storm water (Maintenance required) Total</b>		<b>0</b>	<b>48</b>	<b>16</b>	<b>64</b>
Roads and stormwater (flooding)	Flooding of property	0	1	0	1
Roads and stormwater (flooding)	Flooding of road	0	2	2	4
<b>Roads and stormwater (flooding) Total</b>		<b>0</b>	<b>3</b>	<b>2</b>	<b>5</b>
Roads and stormwater (Illegal advertising)	Unauthorised signs or advertising in the roadway	0	2	0	2

Category	Sub-Category	Uncompleted	Underway	Completed	Total
<b>Roads and stormwater (Illegal advertising) Total</b>		<b>0</b>	<b>2</b>	<b>0</b>	<b>2</b>
Roads and stormwater (Missing covers and grids)	Repair or replace the manhole cover or grid	0	16	5	21
<b>Roads and stormwater (Missing covers and grids) Total</b>		<b>0</b>	<b>16</b>	<b>5</b>	<b>21</b>
Roads and stormwater (Unsafe surface)	Road surface compromised by oil, sand, etc.	0	2	2	4
<b>Roads and stormwater (Unsafe surface) Total</b>		<b>0</b>	<b>2</b>	<b>2</b>	<b>4</b>
Sewer	Sewer-manhole cover-damaged	0	0	1	1
Sewer	Sewer-manhole cover-stolen/missing	0	1	0	1
Sewer	Sewer: blocked/overflow	1	4	5	10
<b>Sewer Total</b>		<b>1</b>	<b>5</b>	<b>6</b>	<b>12</b>
Solid waste (Dumping, beaches and street sweeping)	Illegal dumping	0	0	1	1
<b>Solid waste (Dumping, beaches and street sweeping) Total</b>		<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
Traffic (Speeding, taxis, parking, etc.)	Abandoned vehicles	0	1	1	2
Traffic (Speeding, taxis, parking, etc.)	Parking enforcement	0	5	11	16
<b>Traffic (Speeding, taxis, parking, etc.) Total</b>		<b>0</b>	<b>6</b>	<b>12</b>	<b>18</b>
Traffic Signals	All traffic lights are out	0	1	2	3
Traffic Signals	Congested traffic at intersections	0	0	1	1
Traffic Signals	Traffic lights are flashing	0	2	3	5



Category	Sub-Category	Uncompleted	Underway	Completed	Total
<b>Traffic Signals Total</b>		<b>0</b>	<b>3</b>	<b>6</b>	<b>9</b>
Water	Burst pipe	0	4	17	21
Water	Fire hydrant: missing cover	0	4	0	4
Water	Leak at fire hydrant	0	2	3	5
Water	Leak at valve	0	4	1	5
Water	Leak in road/pavement/underground	0	0	3	3
Water	Meter: missing cover	0	0	1	1
Water	Water run to waste	0	0	1	1
<b>Water Total</b>		<b>0</b>	<b>14</b>	<b>26</b>	<b>40</b>
<b>TOTAL</b>		<b>9</b>	<b>166</b>	<b>124</b>	<b>299</b>

### Urban Management Tasks Graph



- Although the ERCID improved the cleanliness of most public environments in the area, the most challenging area remains the Public Transport Interchange and Halt Road. Several unpermitted informal traders make a significant contribution to the generation of public litter and organic waste as they simply dispose of litter and unwanted fruit and vegetables in the streets and on the sidewalks.

- The ERCID is in constant liaison with the City of Cape Town to address both the origin and the result of this problem through concerted efforts to curb unpermitted trade and formalise solid waste management for the area.

*Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as "2023/2024")*

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
<b>Cleaning Services</b>	R 342 900	R 342 900	-	R 386 516	R 386 400	R 116
<b>Environmental Upgrading</b>	-	-	-	R 12 500	R 11 118	R1 382
<b>Urban Management</b>	R 17 000	R 16 663	R 337	R 11 000	R 10 248	R 752

#### 4.3. Social development services

4.3.1. The social issues of the area are varied and complex and no single plan or approach will adequately address these issues. The ERCID coordinates it's social intervention actions with the various NGO's and social improvement organisations in the area to assist in the development of a comprehensive strategy for addressing social issues in conjunction with the City of Cape Town, all relevant social welfare organisations, and institutions. Social intervention and development can only be achieved by offering unemployed and/or homeless people an alternative.

4.3.2. Through the development of pro-active programmes to create work opportunities for homeless people certain NGOs have presented the opportunity to direct their work programmes to include cleaning and maintenance services to CIDs. These partnerships between CIDs and NGOs create a more cost-effective approach to the provision of a supplementary service to the municipal cleaning services when large area clean-ups or specific maintenance tasks are required.

4.3.3. Although the intention was to deploy previously homeless people from NGOs for specific clean-up projects in the ERCID area, this plan could not be executed in the reporting period.

*Actual expenditure compared with the projected expenditure for (1) the financial year preceding the current reporting period and (2) the financial year that is the subject-matter of this annual report (referred to below as "2023/2024")*

Service/ Project components	2022/2023			2023/2024		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
<b>Social Services</b>	R 10 000	R 9 100	R 900	R 25 000	R 23 400	R 1 600

## **PART C: CORPORATE GOVERNANCE**

### **1. APPLICATION OF KING IV**

- 1.1. In recognition of the fact that the NPC is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, the NPC 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 other things, the CCT’s policy, and the reporting protocols appropriate to a non-profit entity such as the NPC.

- 1.2. Compliance with King IV for the reporting period. The board is satisfied that the NPC has complied with the applicable principles set out in King IV during the period under review, to the extent reasonably possible, are provided fully below.

### **2. GOVERNANCE STRUCTURE**

#### **2.1. Board Composition**

The Board is satisfied that the Board of the NPC is compiled by a representative group of directors representing the interests of the varied property owner groups within the ERCID footprint.

#### **2.2. 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. The Executive Mayor has appointed Cllr. Franchesca Walker as board observer.

#### **2.3. Appointment of the board**

An Annual General Meeting is held every year to review the performance of the CID and to confirm the mandate of the members. The AGM provides the opportunity to elect new directors to serve on the board of the NPC. Elected Board members take responsibility for the various portfolios in the company and regular board meetings allow the directors to review current operations and apply corrective measures as required.

#### **2.4. Overview of the board’s responsibilities**

The Board oversees the day-to-day delivery of the additional services according to the Business Plan. In executing this task, the Board:

- identifying strategies to implement the NPC's business plan in a manner that ensures the financial viability of the company and takes adequate account of stakeholder interests.
- monitoring compliance with applicable legislation, codes, and standards.
- approving the annual budget.
- overseeing preparation of and approving the annual financial statements for adoption by members.
- exercising effective control of the NPC and monitoring management's implementation of the approved budget and business plan

#### 2.5. Board charter

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

#### 2.6. Director Independence

During the period under review, the board formally assessed the independence of all non-executive directors, as recommended by King IV. The board has determined that all the non-executive directors, including the chairperson, are independent in terms of King IV's definition of "independence" and the guidelines provided for in principle 7.28.

#### 2.7. Board Committees

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

#### 2.8. Attendance at board and committee meetings

The board convenes at least once every 2 months. An interim Board Information Pack is distributed monthly with the option to convene a special board meeting when necessary. In the period under review, physical meetings were severely disrupted due to the national lockdown and subsequently, update meetings were scheduled through video conferencing. In accordance with the MOI of the company, decisions noted during such meetings were ratified by individual email approvals after the meetings. These documents have been kept as a record of these decisions.

### 3. ETHICAL LEADERSHIP

Directors are required to maintain the highest ethical standards. To this end, the NPC 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.

The Code is available online at [www.ercid.co.za](http://www.ercid.co.za)

Upon appointment, directors must declare in writing to the chairperson any private interests which could give rise to a potential conflict of interest. These declarations are kept in a register and are regularly updated.<sup>1</sup>

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Directors must further disclose in writing to the chairperson if any matter before the board gives rise to a potential conflict of interest. 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 NPC.

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.

#### 4. BOARD OVERSIGHT OF RISK MANAGEMENT

##### 4.1. Risk management policy

The ERCID board is committed to maintaining a comprehensive risk management policy aimed at safeguarding the ERCID's assets and ensuring responsible use of public funds in alignment with its objectives. The risk management policy is integrated into the company's operations and management processes, overseen by the board.

Key elements of the risk management strategy include:

1. **Board Oversight:** The board has the ultimate responsibility for risk management and ensures that a sound internal control system is in place. The board regularly considers risk at its board meetings to ensure that key risk areas are being adequately addressed and monitored by the appointed management company.
2. **Code of Conduct:** As part of the risk management framework, the ERCID adheres to a strict code of conduct, ensuring confidentiality and ethical handling of sensitive information.
3. **Internal Controls:** The system of internal controls includes:
  - **Performance Targets:** These are established at each board meeting, with actual performance being tracked on a quarterly basis with every board meeting set out as per the CID policy and implementation plan. This process helps identify areas of concern and mitigates risk through proactive monitoring.
  - **Risk Register:** A detailed risk register is maintained and reviewed by the appointed management company as set out in the implementation plan. This register identifies the ERCID's operational risks, assesses the likelihood and potential impact of each risk, and outlines mitigation strategies.

This approach ensures that risk is addressed in a structured and consistent manner, enhancing the ERCID ability to achieve its objectives while safeguarding its assets and operations. The board's continuous engagement in the risk management process provides an additional layer of assurance that all significant risks are being appropriately managed.

##### 4.2. Effectiveness of risk management

During the year under review, the appointed management company of the Elsie River City Improvement District NPC (ERCID) conducted thorough risk assessments to evaluate the effectiveness of its risk management policy and strategy.

The board is satisfied with the adequacy of the systems and processes in place to govern and manage risks. The risk assessments were carried out in accordance with the ERCID's established risk framework, ensuring that operational risks were continually identified, monitored, and mitigated. These assessments also included an evaluation of any emerging risks, ensuring that the risk register remained updated and reflective of the company's current risk profile.

Overall, the board is confident that it has fulfilled its responsibilities in managing and mitigating risks and that the existing systems provide robust support for the company's risk governance objectives.

#### 4.3. Key business risks and opportunities

During the reporting period, the board identified several material risks that could impact the ability of Elsie's River City Improvement District (ERCID) to achieve its strategic objectives. The key risks identified and monitored include:

- Manage the funds and bank accounts of the NPC responsibly.
- The potential impact of illegal occupation of vacant municipal land.
- The potential impact of informal structures and occupation of the railway line.
- Theft and/or vandalism of municipal infrastructure.
- Deterioration of road infrastructure.

The board confirms that no unexpected or unusual risks arose during the period under review. Furthermore, all risks were managed within the pre-determined risk tolerance levels, and appropriate mitigation strategies were applied.

In future reporting periods, the board and the appointed management company plans to enhance its risk management processes by incorporating more frequent risk assessments, expanding internal audit functions, and integrating risk management practices more closely with strategic decision-making processes. This will ensure that the organization remains agile and responsive to emerging risks and deliver the supplementary service to the members of the Elsie's River City Improvement District.

## 5. ACCOUNTABILITY

### 5.1. Performance reviews

During the reporting period, the ERCID board conducted a comprehensive performance review of its governance structures and operations. The assessment covered the effectiveness of the appointed management company, focusing on strategic oversight, decision-making, and risk management. Based on the review, the board is satisfied that the appointed management company has performed its duties effectively and met its responsibilities in overseeing the ERCID's performance and achieving its strategic goals.

### 5.2. Delegated limits of authority

The board has appointed a management company to ensure smooth day-to-day functioning of the ERCID. These delegations of authority include decision-making in areas such as operational management, and execution of strategic initiatives.

The board has reviewed these delegations during board meetings for period under review to ensure that there is an appropriate balance between governance oversight and operational efficiency. It confirmed that the existing delegations are appropriate, maintaining a clear distinction between the board's governance responsibilities and management's operational functions. This structure allows for agile decision-making without compromising the board's overall accountability.

### 5.3. Supplier Code of conduct

The board and appointed management company undertook a review of the supplier code of conduct to ensure alignment with the company's ethical standards and risk management frameworks. The board and appointed management company will review all suppliers that are required to comply with the organization's standards concerning ethical behaviour, sustainability, and legal compliance. The board emphasized the importance of maintaining these standards to mitigate risks associated with supply chain practices, such as performance issues, reputational risks, and non-compliance with regulatory requirements. The ERCID has a procurement policy which outlines the procurement of goods and services for the ERCID. The procurement process is the acquisition process (purchasing) of goods and/or services. The procurement process is meant to ensure that the ERCID's needs are met for the best possible cost in terms of quality, time, and other relevant factors to support the ERCID's operations.

## **PART D: FINANCIAL INFORMATION**

### **1. REPORT OF THE EXTERNAL AUDITOR**

See full report below

### **2. ANNUAL FINANCIAL STATEMENTS**

See full report below

<b>RISK REGISTER</b>						<b>Annexure C</b>
<b>RISK DESCRIPTION</b>	<b>IMPACT DESCRIPTION</b>	<b>IMPACT LEVEL</b>	<b>PROBABILITY LEVEL</b>	<b>PRIORITY LEVEL</b>	<b>MITIGATION NOTES</b>	<b>OWNER</b>
Manage the funds and bank accounts of the NPC responsibly	The loss of funds due to a hacking incident	Moderate	Very Low	High	The management of the funds and accounts payment functions are properly separated with separate authorisation and daily and monthly payment limits are imposed.	Management and Board
The potential impact of illegal occupation of vacant municipal land	Degradation of the urban landscape, harbouring of illegal and criminal activity	Moderate	Moderate	Moderate	The City of Cape Town as custodians of these open spaces have been made aware of the risks and the Improvement District management and public safety teams are continuously monitoring these spaces to detect and prevent criminal activities	Management
The potential impact of informal structures and occupation of the railway line	Harbouring of illegal and criminal activity that impacts the public space , municipal infrastructure and community	Low	Moderate	Moderate	The management communicates with the relevant PRASA officials to resolve the issues and several cleanup operations have been conducted. Regular patrols on the railway line takes place to identify and act against any further occupation	Management
Theft and/or vandalism of municipal infrastructure	Degradation of the urban landscape. Interruption or total loss of services such as electricity supply, street lights, sewer pump facilities and water supply.	Moderate	High	High	The management team has identified potential municipal infrastructure at risk of vandalism and theft and the public safety teams are continuously monitoring these spaces to detect and prevent criminal activities. Where possible, additional technology such as AI CCTV cameras will be deployed to provide additional safeguards.	Management
Deterioration of road infrastructure	The roads in the precinct are severely impacted by the high frequency of heavy vehicle traffic and some roads sections have deteriorated considerably	High	High	High	The management team monitors the condition of road infrastructure throughout the precinct and communicates the need for road infrastructure maintenance to the Road Infrastructure Management department of the City of Cape Town.	Management and Board



**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
**(REGISTRATION NUMBER 2015/169342/08)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**GENERAL INFORMATION**

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	District improvement
<b>Directors</b>	G Castle DV Srubis AJ Bowring DJ Maritz
<b>Registered office</b>	40 6th Avenue Elsies River 7480
<b>Business address</b>	40 6th Avenue Elsies River 7480
<b>Bankers</b>	Standard Bank Limited
<b>Auditors</b>	C2M Chartered Accountants Incorporated Chartered Accountants (SA) Registered Auditors
<b>Company registration number</b>	2015/169342/08
<b>Tax reference number</b>	9307/820/25/6
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Preparer</b>	The annual financial statements were independently compiled by: MD Dreyer Professional Accountant (SA)
<b>Issued</b>	30 August 2024

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
**(REGISTRATION NUMBER: 2015/169342/08)**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**INDEX**

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Independent Auditor's Report	6 - 7
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Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
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The following supplementary information does not form part of the annual financial statements and is unaudited:	
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**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
**(REGISTRATION NUMBER: 2015/169342/08)**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**DIRECTORS' RESPONSIBILITIES AND APPROVAL**

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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 International Financial Reporting Standard for Small and Medium-sized Entities. 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 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 sets 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 2025 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 6 to 7.

The annual financial statements set out on pages 8 to 15, which have been prepared on the going concern basis, were approved by the directors on 30 August 2024 and were signed by:



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**AJ Bowring**

**Bellville**

**30 August 2024**

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**DIRECTORS' REPORT**

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The directors have pleasure in submitting their report on the annual financial statements of Elsie River City Improvement District NPC for the year ended 30 June 2024.

**1. Incorporation**

The company was incorporated on 18 May 2015 and obtained its certificate to commence business on the same day.

**2. Nature of business**

Elsies River City Improvement District NPC was incorporated in South Africa with interests in the Non-profit industry. 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 International Financial Reporting Standard for Small and Medium-sized Entities 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. Insurance and risk management**

The company follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible assets are automatically included. There is also a continuous asset risk control program, which is carried out in conjunction with the company's insurance brokers. All risks are considered to be adequately covered, except for political risks, in the case of which as much cover as is reasonably available has been arranged.

**5. Directors**

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

**Directors**

G Castle  
DV Srubis  
AJ Bowring  
DJ Maritz

There have been changes to the directorate for the period under review.

**6. Directors' interests in contracts**

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

**7. 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.

**8. 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.

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**DIRECTORS' REPORT**

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**9. 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.

**10. Auditor**

C2M Chartered Accountants Incorporated continued in office as auditors for the company for 2024.

At the AGM, the shareholder will be requested to reappoint C2M Chartered Accountants Incorporated as the independent external auditors of the company and to confirm Mr A Nel as the designated lead audit partner for the 2025 financial year.

**11. Date of authorisation for issue of annual financial statements**

The annual financial statements have been authorised for issue by the directors on Friday, 30 August 2024. No authority was given to anyone to amend the annual financial statements after the date of issue.

**12. Liquidity and solvency**

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

## INDEPENDENT AUDITOR'S REPORT

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### To the directors of Elsie's River City Improvement District NPC

#### Opinion

We have audited the annual financial statements of Elsie's River City Improvement District NPC (the company) set out on pages 8 to 15, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Elsie's River City Improvement District NPC as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities 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 annual 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 information included in the document titled "Elsie's River City Improvement District NPC annual financial statements for the year ended 30 June 2024", which includes the Directors' Report as required by the Companies Act of South Africa and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.



## INDEPENDENT AUDITOR'S REPORT

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### 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 International Financial Reporting Standard for Small and Medium-sized Entities 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 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.



**R Ariefdien**  
**Chartered Accountant (SA)**  
**Registered Auditor**  
**Director**

**30 August 2024**

**Tygerforum B**  
**53 Willie van Schoor Drive**  
**Tygervalley**  
**Bellville**  
**7530**





**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
 (REGISTRATION NUMBER: 2015/169342/08)  
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	Note(s)	2024 R	2023 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	106 908	103 207
<b>Current Assets</b>			
Trade and other receivables	3	8 312	-
Cash and cash equivalents	4	1 775 068	1 530 110
		<b>1 783 380</b>	<b>1 530 110</b>
<b>Total Assets</b>		<b>1 890 288</b>	<b>1 633 317</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Non-Distributable Reserve		1 861 879	1 631 409
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	20 455	1 908
Current tax payable		7 954	-
		<b>28 409</b>	<b>1 908</b>
<b>Total Equity and Liabilities</b>		<b>1 890 288</b>	<b>1 633 317</b>

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
 (REGISTRATION NUMBER: 2015/169342/08)  
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**STATEMENT OF COMPREHENSIVE INCOME**

	Note(s)	2024 R	2023 R
Revenue	7	3 934 530	3 624 882
Operating expenses		(3 773 849)	(3 457 629)
<b>Operating surplus</b>		<b>160 681</b>	<b>167 253</b>
Investment revenue	8	80 284	60 066
<b>Surplus before taxation</b>		<b>240 965</b>	<b>227 319</b>
Taxation	9	(10 496)	-
<b>Surplus for the year</b>		<b>230 469</b>	<b>227 319</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>230 469</b>	<b>227 319</b>

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
 (REGISTRATION NUMBER: 2015/169342/08)  
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**STATEMENT OF CHANGES IN EQUITY**

	Non Distributable reserve R	Retained income R	Total equity R
<b>Balance at 01 July 2022</b>	<b>1 404 090</b>	-	<b>1 404 090</b>
Surplus for the year	-	227 319	227 319
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>227 319</b>	<b>227 319</b>
Transfer between reserves	227 319	(227 319)	-
<b>Total changes</b>	<b>227 319</b>	<b>(227 319)</b>	-
<b>Balance at 01 July 2023</b>	<b>1 631 409</b>	-	<b>1 631 409</b>
Surplus for the year	-	230 469	230 469
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>230 469</b>	<b>230 469</b>
Transfer between reserves	230 469	(230 469)	-
<b>Total changes</b>	<b>230 469</b>	<b>(230 469)</b>	-
<b>Balance at 30 June 2024</b>	<b>1 861 879</b>	-	<b>1 861 879</b>

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
 (REGISTRATION NUMBER: 2015/169342/08)  
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**STATEMENT OF CASH FLOWS**

	Note(s)	2024 R	2023 R
<b>Cash flows from operating activities</b>			
Cash generated from operations	11	203 601	202 533
Interest income		80 284	60 066
Tax paid		(2 542)	-
<b>Net cash from operating activities</b>		<b>281 343</b>	<b>262 599</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(36 386)	-
<b>Total cash movement for the year</b>		<b>244 957</b>	<b>262 599</b>
Cash at the beginning of the year		1 530 110	1 267 511
<b>Total cash at end of the year</b>	4	<b>1 775 067</b>	<b>1 530 110</b>

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**ACCOUNTING POLICIES**

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**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 International Financial Reporting Standard for Small and Medium-sized Entities, 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 Significant judgements and sources of estimation uncertainty**

**Critical judgements in applying accounting policies**

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

**Key sources of estimation uncertainty**

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

**1.2 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.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in surplus or shortfall in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

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<b>Item</b>	<b>Depreciation method</b>	<b>Average useful life</b>
CCTV Cameras	Straight line	5 years

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When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

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

## **ACCOUNTING POLICIES**

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### **1.3 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 shortfall) 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. Those debt instruments which meet the criteria in section 11.8(b) of 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.

#### **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.

### **1.4 Tax**

#### **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. The NPO meets the criteria for the exemption under section 10(1)(e)(i)(cc) of the Tax Act.

### **1.5 Cash and cash equivalents**

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

### **1.6 Impairment of assets**

The company assesses at each reporting date whether there is any indication that property, plant and equipment 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 surplus or shortfall.

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 shortfall.

### **1.7 Government grants**

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

### **1.8 Revenue**

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

### **1.9 Borrowing costs**

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

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

	2024			2023		
	R			R		
<b>2. Property, plant and equipment</b>						
	2024			2023		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
CCTV Cameras	711 329	(604 421)	106 908	674 943	(571 736)	103 207
<b>Reconciliation of property, plant and equipment - 2024</b>						
	Opening balance	Additions	Depreciation	Closing balance		
CCTV Cameras	103 207	36 386	(32 685)	106 908		
<b>Reconciliation of property, plant and equipment - 2023</b>						
	Opening balance	Depreciation	Closing balance			
CCTV Cameras	134 751	(31 544)	103 207			
<b>Details of properties</b>						
Registers with details of property, plant and equipment are available for inspection by shareholders or their duly authorised representatives at the registered office of the company.						
<b>3. Trade and other receivables</b>						
VAT				8 312	-	
<b>4. Cash and cash equivalents</b>						
Cash and cash equivalents consist of:						
Bank balances				1 775 068	1 530 110	
<b>5. Trade and other payables</b>						
Trade payables				1	1	
VAT				-	1 907	
Accrued expenses				20 454	-	
				<b>20 455</b>	<b>1 908</b>	
<b>6. Other NDR</b>						
Non-distributable reserve				1 861 879	1 631 409	
<b>7. Revenue</b>						
Revenue – Additional Rates Received				3 852 175	3 585 120	
Revenue – Additional Rates Retention Received				82 355	39 762	
				<b>3 934 530</b>	<b>3 624 882</b>	

**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

	2024 R	2023 R
<b>8. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	80 284	60 066
<b>9. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current taxation</b>		
South African normal tax - year	7 954	-
South African normal tax - prior period (over) under provision	2 542	-
	<b>10 496</b>	<b>-</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting surplus and tax expense.		
Accounting surplus	240 965	227 319
Tax at the applicable tax rate of 27% (2023: 27%)	65 061	61 376
Exempt income	(43 606)	(60 628)
Exemption under section 10(1)(e)(i)(cc)	(13 500)	(748)
	<b>7 955</b>	<b>-</b>
No provision has been made for 2024 tax as the company is exempt from income tax under section 10(1)(e)(i)(cc) of the Tax Act.		
<b>10. Auditor's remuneration</b>		
Audit and taxation services	14 475	14 250
<b>11. Cash generated from operations</b>		
Surplus before taxation	240 965	227 319
<b>Adjustments for:</b>		
Depreciation and amortisation	32 685	31 544
Interest received	(80 284)	(60 066)
<b>Changes in working capital:</b>		
Trade and other receivables	(8 312)	1 829
Trade and other payables	18 547	1 907
	<b>203 601</b>	<b>202 533</b>
<b>12. Going concern</b>		

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.



**ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC**  
(REGISTRATION NUMBER: 2015/169342/08)  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

**DETAILED INCOME STATEMENT**

	Note(s)	2024 R	2023 R
<b>Revenue</b>			
Revenue – Additional Rates Received		3 852 175	3 585 120
Revenue – Additional Rates Retention Received		82 355	39 762
	7	<b>3 934 530</b>	<b>3 624 882</b>
<b>Operating expenses</b>			
Accounting fees		(13 800)	(12 780)
Administration and management fees		(523 920)	(493 920)
Advertising		(5 740)	-
Auditors remuneration	10	(14 475)	(14 250)
Bank charges		(4 046)	(3 291)
Cleansing		(386 400)	(342 900)
Depreciation, amortisation and impairments		(32 685)	(31 544)
Enviromental upgrading		(11 118)	-
Insurance		(3 261)	(4 250)
Law enforcement officers		(225 612)	(214 011)
Marketing		(12 000)	(17 056)
Motor vehicle expenses		(24 000)	(24 000)
Projects - Turnstile & Fence		(28 232)	-
Public safety - CCTV Monitoring		(143 940)	(134 640)
Public safety - Security services		(2 280 640)	(2 119 524)
Repairs and maintenance		(3 482)	-
Secretarial fees		(8 850)	(1 700)
Social upliftment		(23 400)	(9 100)
Telephone and fax		(18 000)	(18 000)
Urban maintenance		(10 248)	(16 663)
		<b>(3 773 849)</b>	<b>(3 457 629)</b>
<b>Operating surplus</b>		<b>160 681</b>	<b>167 253</b>
Investment income		80 284	60 066
<b>Surplus before taxation</b>		<b>240 965</b>	<b>227 319</b>
Taxation	9	(10 496)	-
<b>Surplus for the year</b>		<b>230 469</b>	<b>227 319</b>