ANNUAL REPORT

Elsies River City Improvement District NPC

Annual Report and Financial Statements

for the year ended 30 June 2025

Our online report is available at www.ercid.co.za

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PART A: GENERAL INFORMATION

1. GENERAL INFORMATION

Company:	Elsies River City Improvement District NPC (ERCID) Non-Profit Company
Company Registration No:	2015/169342/08
Registered Office:	2, 12th Street, Elsies River Industrial, Cape Town, 7480
VAT No:	4610269823

ERCID Directors:

Gary Castle	- Radeen Fashions
Adrian Bowring	- Weavewell
Cobus Maritz	- Granite Connection
David Srubis	- Kales Marble

Ward	- 26	
Sub-Council	- 4	
Principle Board Observer	- Franschesca Walker	- Franschesca.Walker@capetown.gov.za
Alternative Board Observer	- Tami Jackson	- Tami.Jackson@capetown.gov.za
Sub-Council Manager	- Ardela van Niekerk	- Ardela.vanNiekerk@capetown.gov.za

Auditors	- C2M Chartered Accountants
Accountant	- Nicolene Cooke's Accounting Services
Company Secretarial Duties	- C2M Chartered Accountants

ERCID Management
- Geocentric Urban Management
- 2, 12th Street Elsies River, 7490
- info@geocentric.co.za
- www.geocentric.co.za
- 021 565 0901

ERCID Manager

Heinrich Cobus	- 061 194 1187	- ercid@geocentric.co.za

Emergency Contact Details

Control Room	- 021 565 0900

Public Safety Service Provider	- 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,

The Elsies River City Improvement District (ERCID) continued to deliver on its core mandate of maintaining a safe, clean, and well-managed industrial environment throughout the 2024/25 financial year. Despite ongoing socio-economic challenges in the area and continued pressures from urban migration and informal activity, ERCID demonstrated measurable impact through collaboration with stakeholders, the City of Cape Town, and local businesses.

Our dedicated management team, under Geocentric Urban Management, has strengthened operational efficiency across safety, cleaning, and urban management. The CCTV surveillance network—enhanced by AI-enabled monitoring—continues to serve as a crucial deterrent and investigative tool, contributing to notable reductions in certain categories of property-related crime. Coordination with Byers Security Solutions and the Control Room ensured swift response to incidents and better reporting accuracy.

Cleaning and waste management activities remained a priority, with the team collecting thousands of bags of refuse and addressing persistent illegal dumping hotspots. Collaboration with the City's Roads and Stormwater, Solid Waste, and Electricity departments resulted in improved response times to reported urban defects and infrastructure maintenance.

Financially, ERCID maintained a stable position, operating within approved budgets and sustaining adequate reserves. The partnership with the City of Cape Town's CID Department continues to ensure compliance and transparency in all financial and governance processes.

Looking forward, ERCID will continue to pursue infrastructural upgrades, social interventions, and partnerships that enhance the precinct's appeal as a safe and attractive investment destination. The board extends its gratitude to all members, the City of Cape Town, Geocentric Urban Management, Byers Security Solutions, and the cleaning and security teams for their unwavering commitment to our shared vision.

Thank you for your ongoing trust and support.

Sincerely,
Adrian Bowring
Chairperson
Elsies River City Improvement District Non-profit Company

4. MANAGEMENT OVERVIEW

Dear Stakeholders

During the 2024/25 financial year, the ERCID focused on consolidating operational performance across its four strategic pillars: Public Safety, Urban Cleaning, Urban Management, and Social Upliftment.

Public Safety

The ERCID's partnership with Byers Security Solutions and the Control Room maintained continuous 24-hour surveillance. AI-enhanced cameras logged over 62,000 incident triggers between January and March 2024, supporting proactive responses and improving situational awareness. Patrol officers recorded 698 safety-related incidents in the first quarter of 2024, reflecting a steady reduction from previous periods due to enhanced coordination and visibility.

Cleaning and Urban Management

Cleaning teams collected an average of over 2,000 blue refuse bags per quarter, focusing on industrial corridors and illegal dumping zones. Regular drain cleaning, vegetation control, and graffiti removal contributed to improved environmental conditions. The Urban Management programme logged 83 incidents in Q3 2024, primarily related to lighting, pothole repairs, and water leaks — most resolved in cooperation with municipal departments.

Social and Stakeholder Engagement

The CID maintained active participation in the City's Urban Regeneration and CID Forum meetings, contributing to discussions on service delivery coordination and integrated infrastructure planning. Business owners benefited from improved communication and engagement channels, while local social challenges such as informal trading and vagrancy continued to be managed collaboratively with law enforcement and social partners.

Financial Overview

The 2024/25 budget of approximately R3.9 million was managed prudently, with spending aligned to core service areas and provisions made for capital reinvestment in the CCTV network. Monthly reporting, bank reconciliations, and independent audits ensured compliance and accountability in line with CID policy and City requirements.

Outlook

Looking ahead, ERCID will prioritise further CCTV network expansion, enhanced AI analytics, and stronger infrastructure maintenance partnerships with City departments. Efforts to address illegal dumping and improve lighting will continue to underpin sustainable growth and improved public perception of the Elsies River industrial area.

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 29 August 2025 and signed on behalf by:

Adrian Bowring
Chairperson of the Board
29 August 2025

6. **STRATEGIC OVERVIEW**

6.1. Vision

The Elsies 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. Elsies 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

6.3. Our Goals

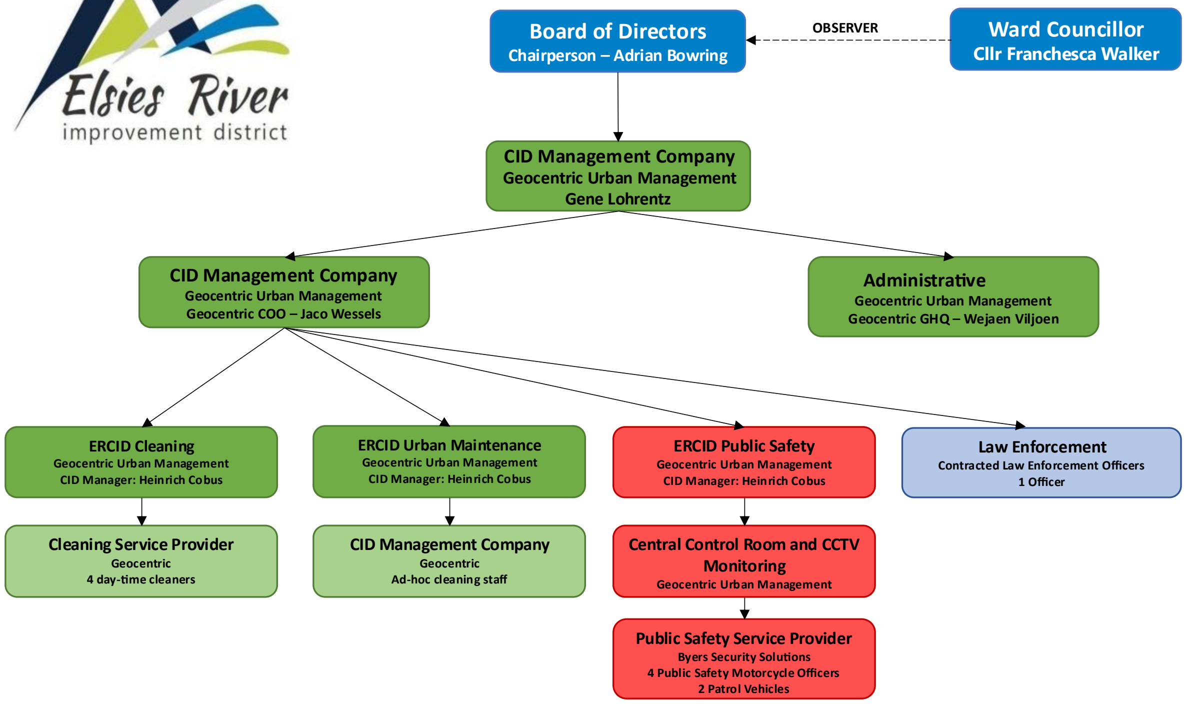
- Improve Public Safety significantly by proactive visible patrolling and cooperation with existing SAPS and City of Cape Town Law Enforcement efforts as well as other security service providers in the area.
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning 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 Elsies River City Improvement District NPC is tasked with considering, developing and implementing improvements and upgrades to the Elsies River City Improvement District area to supplement services provided by the City of Cape Town (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

ELSIES RIVER CITY IMPROVEMENT DISTRICT ORGANOGRAM



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

coo@geocentric.co.za
062 650 3322

Wejaen Viljoen
Admin & Information Manager

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

Contact Details

admin@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 2025. 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 Elsies River station.

1.2. Organisational environment

The work of the Board and the management team continues throughout the year and regular interaction with the Board and meetings on operational tasks 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 Elsies 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 and urban defects. 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	

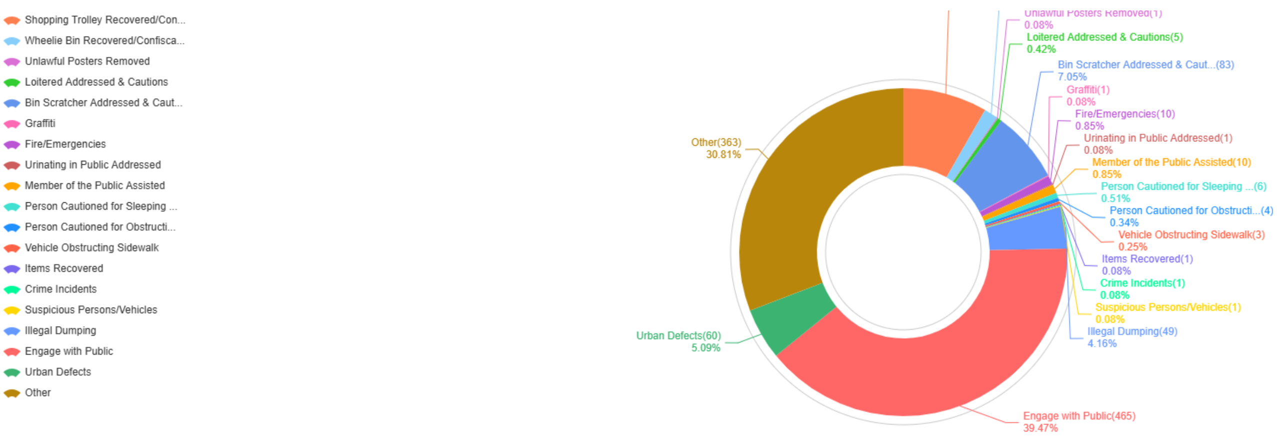
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
2. Determine the Crime Threat Analysis of the CID area in conjunction with the SAPS, determine strategies by means of an integrated approach to improve public safety, identify current Public Safety and policing shortcomings and develop 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	**Incident reports** See the Table and Graph below **Patrol vehicle patrol logs** 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	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Shopping Trolley Recovered/Confiscated	189	209	98	↓	↓
Wheelie Bin Recovered/Confiscated	37	33	16	↓	↓
Crates Recovered/Confiscated	0	1	0	→	↓
Unlawful Posters Removed	2	0	1	↓	↑
Loitered Addressed & Cautions	6	8	5	↓	↓
Drinking in Public Cautioned	29	8	0	↓	↓
Bin Scratcher Addressed & Cautioned	268	173	83	↓	↓
Beggar Cautioned & Removed	8	1	0	↓	↓
Spitting in Public Addressed	1	0	0	↓	→
Swearing in Public Addressed	1	0	0	↓	→
Graffiti	1	3	1	→	↓
Fire/Emergencies	22	17	10	↓	↓
Urinating in Public Addressed	15	5	1	↓	↓
Member of the Public Assisted	53	37	10	↓	↓
Person Cautioned for Sleeping in Public Space	33	8	6	↓	↓
Person Cautioned for Hanging Washing in Public	0	1	0	→	↓
Person Cautioned for Obstructing Sidewalk	12	19	4	↓	↓
Vehicle Obstructing Sidewalk	29	5	3	↓	↓
Items Recovered	2	1	1	↓	→
Crime Incidents	0	3	1	↑	↓
Suspicious Persons/Vehicles	7	2	1	↓	↓
Illegal Dumping	336	148	49	↓	↓
Engage with Public	1 515	1 737	465	↓	↓
Urban Defects	82	74	60	↓	↓
Other	113	131	363	↑	↑
TOTAL	**2 761**	**2 624**	**1 178**		

Public Safety Incidents Graph



From 1 July 2024 to 30 June 2025 the two patrol vehicles logged the following number of patrol kilometres:

Patrol Vehicle 1: 57 700 km

Patrol Vehicle 2: 51 165 km

Total: 108 865 km

- 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 2 460 624 was expended on the Public Safety deployments for the year and an additional R 157 980 was allocated for CCTV monitoring. The contracted Law Enforcement Officer contract budget was R 238 020 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 "2024/2025")

Service/ Project components	2023/2024			2024/2025		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Public Safety	R 2 281 000	R 2 280 640	R 360	R 2 483 108	R 2 460 624	R 22 484
CCTV Monitoring	R 143 940	R 143 940	-	R 158 535	R 157 980	R 555
Law Enforcement	R 226 000	R 225 612	R 388	R 252 000	R 238 020	R 13 980

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

PROVIDE A CLEANER PUBLIC SPACE			
ACTION STEPS	**KEY PERFORMANCE INDICATOR**	**FREQUENCY per year**	**Comments**
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

RENEWING PUBLIC SPACES			
ACTION STEPS	**KEY PERFORMANCE INDICATOR**	**FREQUENCY per year**	**Comments**
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

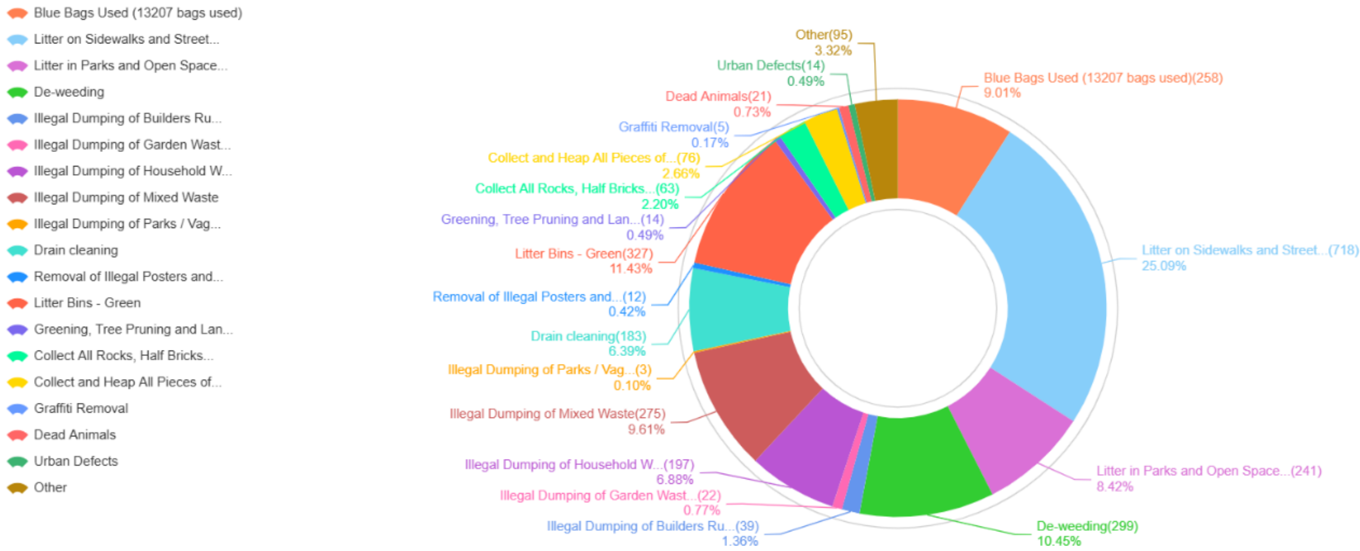
PROVIDE A WELL-MAINTAINED PUBLIC SPACE			
ACTION STEPS	**KEY PERFORMANCE INDICATOR**	**FREQUENCY per year**	**Comments**
1. Develop an urban maintenance strategy to guide delivery from appointed service delivery provider	Measure effectiveness through Urban Maintenance Statistics	Monthly	
2. Identify 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

MAINTENANCE OF PUBLIC GREEN AREAS			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
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

Type	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Blue Bags Used	6986	9085	13207	↑	↑
Litter on Sidewalks and Streets	1125	231	718	↓	↑
Litter in Parks and Open Spaces	991	142	241	↓	↑
De-weeding	284	178	299	↑	↑
Illegal Dumping of Builders Rubble	20	74	39	↑	↓
Illegal Dumping of Garden Waste	16	38	22	↑	↓
Illegal Dumping of Household Waste	207	159	197	↓	↑
Illegal Dumping of Mixed Waste	160	179	275	↑	↑
Illegal Dumping of Parks / Vagrants	99	79	3	↓	↓
Drain cleaning	196	101	183	↓	↑
Removal of Illegal Posters and Pamphlets from Public Spaces and Non-municipal Infrastructure	5	5	12	↑	↑
Litter Bins - Green	788	224	327	↓	↑
Litter Bins - Red in Parks	1	0	0	↓	→
Greening, Tree Pruning and Landscaping	18	18	14	↓	↓
Collect All Rocks, Half Bricks, Concrete Pieces	39	64	63	↑	↓
Collect and Heap All Pieces of Wood and Other Objects	99	83	76	↓	↓
Graffiti Removal	6	6	5	↓	↓
Dead Animals	9	16	21	↑	↑
Rodents and Unhygienic Area	0	5	0	→	↓
Ensure Litter is Collected from City	822	24	0	↓	↓
Ensure Litter Bins are Emptied from City	11	27	0	↓	↓
Ensure All Wheelie bins are Collected	816	21	0	↓	↓
Urban Defects	6	5	14	↑	↑
Special Tasks	44	21	0	↓	↓
Other	985	111	95	↓	↓
TOTAL	**7 868**	**2 046**	**2 862**		

Urban Cleaning Graph



Urban Management Tasks Summary Report

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Animal Carcass Removal	Dog-Large	2	0	0	↓	→
Animal Carcass Removal Total		2	**0**	**0**	↓	→
City Parks (Maintenance)	Bush clearing/weed control	1	0	0	↓	→
City Parks (Maintenance)	Mowing	2	5	1	↓	↓
City Parks (Maintenance)	Root trimming/pruning	0	0	1	↑	↑
City Parks (Maintenance)	Tree removal	0	1	0	→	↓
City Parks (Maintenance) Total		3	**6**	**2**	↓	↓
Electricity (Domestic & Commercial Supply)	No power supply	0	3	2	↑	↓
Electricity (Domestic & Commercial Supply) Total		0	**3**	**2**	↑	↓
Electricity (Equipment damage & exposure)	Equipment damaged	3	3	2	↓	↓
Electricity (Equipment damage & exposure)	Exposed cable	1	2	1	→	↓
Electricity (Equipment damage & exposure)	Kiosk damaged	1	1	0	↓	↓

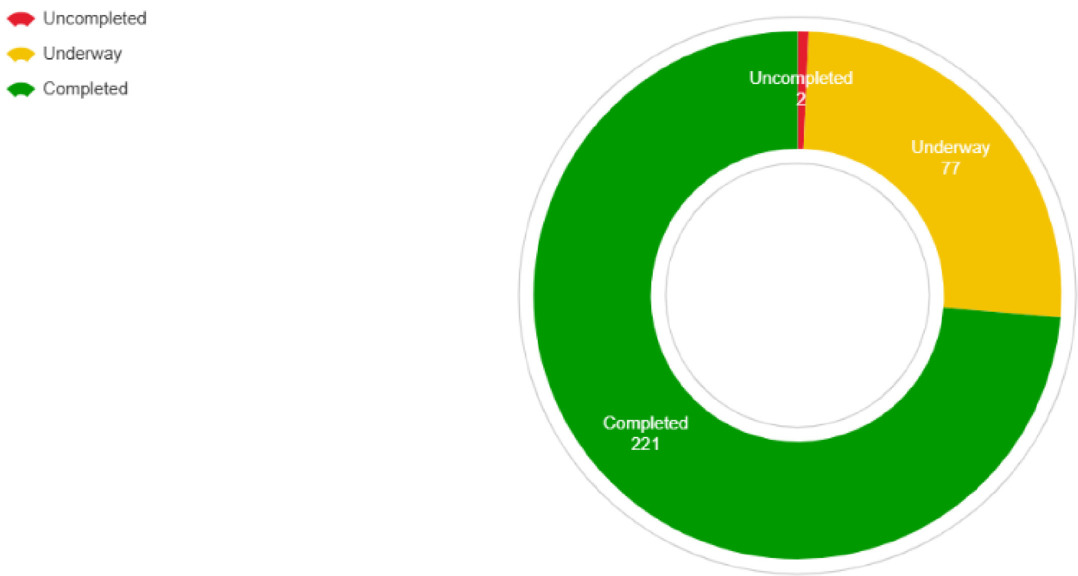
Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Electricity (Equipment damage & exposure)	Pole knocked down in vehicle accident	1	0	0	↓	→
Electricity (Equipment damage & exposure)	Sparks on electricity pole	3	0	1	↓	↑
Electricity (Equipment damage & exposure) Total		9	**6**	**4**	↓	↓
Electricity (Issues resulting from motor vehicle accidents)	Pole knocked down in vehicle accident	0	0	1	↑	↑
Electricity (Issues resulting from motor vehicle accidents) Total		0	**0**	**1**	↑	↑
Electricity (Street lighting)	All streetlights are out	28	79	45	↑	↓
Electricity (Street lighting)	Individual streetlights are out	39	14	20	↓	↑
Electricity (Street lighting) Total		67	**93**	**65**	↓	↓
Electricity (Wires)	Wires are down	1	0	3	↑	↑
Electricity (Wires) Total		1	**0**	**3**	↑	↑
Fire-Fighting Services	Faulty hydrants	10	2	4	↓	↑
Fire-Fighting Services Total		10	**2**	**4**	↓	↑
Law Enforcement	Backyard repairs	2	4	8	↑	↑
Law Enforcement	Graffiti	0	1	0	→	↓
Law Enforcement	Illegal dumping	1	0	0	↓	→
Law Enforcement	Liquor outlets/licences	0	1	2	↑	↑
Law Enforcement Total		3	**6**	**10**	↑	↑
Litter Bins (Public)	New or additional litter bins required	3	1	1	↓	→
Litter Bins (Public) Total		3	**1**	**1**	↓	→
Roads and storm water (Maintenance required)	Paint or repaint road marking, lines, etc.	8	29	4	↓	↓
Roads and storm water (Maintenance required)	Repair a pothole	24	12	5	↓	↓
Roads and storm water (Maintenance required)	Repair or replace bollards, guards or handrails	1	1	1	→	→
Roads and storm water (Maintenance required)	Repair road or footway	3	22	17	↑	↓

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Roads and storm water (Maintenance required) Total		36	**64**	**27**	↓	↓
Roads and stormwater (dumping)	Dumping on stormwater infrastructure	0	0	1	↑	↑
Roads and stormwater (dumping) Total		0	**0**	**1**	↑	↑
Roads and stormwater (flooding)	Flooding of informal settlements	0	0	1	↑	↑
Roads and stormwater (flooding)	Flooding of property	0	1	1	↑	→
Roads and stormwater (flooding)	Flooding of road	2	4	7	↑	↑
Roads and stormwater (flooding) Total		2	**5**	**9**	↑	↑
Roads and stormwater (Illegal advertising)	Unauthorized signs or advertising in roadway	0	2	2	↑	→
Roads and stormwater (Illegal advertising) Total		0	**2**	**2**	↑	→
Roads and stormwater (Missing covers and grids)	Repair or replace manhole cover or grid	22	21	20	↓	↓
Roads and stormwater (Missing covers and grids) Total		22	**21**	**20**	↓	↓
Roads and stormwater (Unsafe surface)	Road surface compromised by oil, sand, etc.	0	4	1	↑	↓
Roads and stormwater (Unsafe surface) Total		0	**4**	**1**	↑	↓
Safety and security (Drugs, drinking, behaviour)	Illegal shebeen	0	0	8	↑	↑
Safety and security (Drugs, drinking, behaviour) Total		0	**0**	**8**	↑	↑
Safety and security (Squatters)	Illegal structures and/or squatters	0	0	3	↑	↑
Safety and security (Squatters) Total		0	**0**	**3**	↑	↑
Sewer	Re-instatement after sewer incident	0	0	1	↑	↑
Sewer	Sewer-manhole cover-damaged	3	1	7	↑	↑

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Sewer	Sewer-manhole cover-stolen/missing	3	1	3	→	↑
Sewer	Sewer: blocked/overflow	14	10	16	↑	↑
Sewer Total		20	**12**	**27**	↑	↑
Solid waste (Dumping, beaches and street sweeping)	Beach cleaning	0	0	1	↑	↑
Solid waste (Dumping, beaches and street sweeping)	Illegal dumping	0	1	2	↑	↑
Solid waste (Dumping, beaches and street sweeping) Total		0	**1**	**3**	↑	↑
Sports and Recreation Facilities	Health and safety issues	0	0	1	↑	↑
Sports and Recreation Facilities Total		0	**0**	**1**	↑	↑
Stormwater (Blockages)	Stormwater gulley or manhole blocked	3	6	3	→	↓
Stormwater (Blockages) Total		3	**6**	**3**	→	↓
Traffic (Speeding, taxis, parking, etc.)	Abandoned vehicles	0	2	3	↑	↑
Traffic (Speeding, taxis, parking, etc.)	Parking enforcement	7	16	5	↓	↓
Traffic (Speeding, taxis, parking, etc.) Total		7	**18**	**8**	↑	↓
Traffic Signals	All traffic lights are out	5	3	4	↓	↑
Traffic Signals	Congested traffic at intersections	0	1	0	→	↓
Traffic Signals	Pedestrian lights are out	1	0	0	↓	→
Traffic Signals	Robot down	4	0	1	↓	↑
Traffic Signals	Traffic lights are flashing	0	5	6	↑	↑
Traffic Signals Total		10	**9**	**11**	↑	↑
Transport (Speed bumps and signage)	Speed bumps (traffic calming)	0	0	1	↑	↑
Transport (Speed bumps and signage) Total		0	**0**	**1**	↑	↑
Water	Bees in water meter/fire hydrant	0	0	4	↑	↑
Water	Burst pipe	20	21	30	↑	↑
Water	Fire hydrant: missing cover	3	4	6	↑	↑
Water	Leak at fire hydrant	4	5	9	↑	↑
Water	Leak at valve	8	5	8	→	↑
Water	Leak at water meter/stopcock	2	0	1	↓	↑
Water	Leak at WMD meter	1	0	0	↓	→
Water	Leak in road/pavement/underground	6	3	10	↑	↑

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Water	Meter-Damaged/faulty	1	0	3	↑	↑
Water	Meter-locate	0	0	1	↑	↑
Water	Re-instatement after water incident	2	0	7	↑	↑
Water	Valve-missing cover	0	0	1	↑	↑
Water	Water run to waste	5	1	2	↓	↑
Water Total		53	**40**	**83**	↑	↑
TOTAL		**251**	**299**	**300**		

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 "2024/2025")

Service/ Project components	2023/2024			2024/2025		
	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Cleaning Services	R 386 516	R 386 400	R 116	R 399 984	R 399 984	-

Environmental Upgrading	R 12 500	R 11 118	R1 382	R 2 100	R 2 087	R 13
Urban Management	R 11 000	R 10 248	R 752	R 17 900	R 17 722	R 178

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 "2024/2025")

Service/ Project components	**2023/2024**			**2024/2025**		
	Projected Expenditure	**Actual Expenditure**	**(Over)/Under Expenditure**	**Projected Expenditure**	**Actual Expenditure**	**(Over)/Under Expenditure**
Social Services	R 25 000	R 23 400	R 1 600	R 13 000	R 12 375	R 625

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. The Board did not appoint any committees during the reporting period due to the size of the Board.

Adrian Bowring - *Chairperson*	
Portfolio	Urban Maintenance
Appointment Date	18/05/2015
Gary Castle - Director	
Portfolio	Social Upliftment and Marketing
Appointment Date	18/05/2015
Cobus Maritz - Director	
Portfolio	Cleansing
Appointment Date	26/10/2021
David Srubis - Director	
Portfolio	Public Safety
Appointment Date	26/11/2021

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 of Directors met regularly throughout the year, in line with the requirements of the City of Cape Town's CID Policy. Meetings were convened at least once every three months, ensuring sound governance, effective oversight, and accountability in driving the implementation of the Business Plan and service delivery priorities.

BOARD MEETINGS					
Director	**Total**	**26/09/2024**	**12/11/2024**	**18/02/2025**	**20/05/2025**
Gary Castle	2 / 4	-	-	✓	✓
Adrian Bowring	4 / 4	✓	✓	✓	✓
David Srubis	3 / 4	✓	✓	-	✓
Daniel Maritz	4 / 4	✓	✓	✓	✓

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*

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.[1]

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 Elsies 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 Elsies 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 Elsies 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 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

ELSIES RIVER CITY IMPROVEMENT DISTRICT NPC

(REGISTRATION NUMBER 2015/169342/08)
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	District improvement
Directors	G Castle DV Srubis AJ Bowring DJ Maritz
Registered office	40 6th Avenue Elsies River 7480
Business address	40 6th Avenue Elsies River 7480
Postal address	40 6th Avenue Elsies River 7480 South Africa
Bankers	Standard Bank Limited
Auditors	C2M Chartered Accountants Incorporated Registered Auditors IRBA No. 958662
Company registration number	2015/169342/08
Tax reference number	9307/820/25/6
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: MD Dreyer Professional Accountant (S.A)
Issued	21 August 2025

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

The following supplementary information does not form part of the annual financial statements and is unaudited:

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 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 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 5 to 6.

The annual financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the directors on 21 August 2025 and were signed on its behalf by:

AJ Bowring	G Castle

DIRECTORS' REPORT

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

1. Business Activities

The company provides supplementary public safety, cleansing, maintenance services, environmental development, social development and communications in the Elsies River area.

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 financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard and the requirements of the Companies Act 71 of 2008.

During the year under review the company operated independently of any shared services. The main business and operations of the company during the year under review has continued as in the past year and we have nothing further to report thereon.

The financial statements adequately reflect the results of the operations of the company for the year under review and no further explanations are considered necessary.

3. 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 no changes to the directorate for the period under review.

4. Events after the reporting period

There have been no facts or circumstances of a material nature that have occurred between the reporting date and the date of this report that have a material impact on the financial position of the company at the reporting date.

5. 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.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Elsies River City Improvement District NPC

Opinion

We have audited the annual financial statements of Elsies River City Improvement District NPC (the company) set out on pages 7 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 annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Elsies River 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 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 "Elsies River City Improvement District NPC annual financial statements for the year ended 30 June 2025", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on page 17. 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, 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 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

21 August 2025

Tygerforum B
53 Willie van Schoor Drive
Tygervalley
Bellville
7530

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	228 862	106 908
Current Assets			
Trade and other receivables	3	15 548	8 312
Cash and cash equivalents	5	2 029 345	1 775 068
		2 044 893	**1 783 380**
Total Assets		**2 273 755**	**1 890 288**
Equity and Liabilities			
Equity			
Non-Distributable Reserve		2 255 958	1 861 879
Liabilities			
Current Liabilities			
Trade and other payables	6	2 066	20 455
Current tax payable	4	15 731	7 954
		17 797	**28 409**
Total Equity and Liabilities		**2 273 755**	**1 890 288**

STATEMENT OF COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2025	2024
Revenue	8	4 341 297	3 934 530
Expenditure		(4 040 773)	(3 773 849)
Surplus/Deficit from operations		**300 524**	**160 681**
Finance income	10	109 285	80 284
(Deficit) / surplus before taxation		**409 809**	**240 965**
Taxation	11	(15 731)	(10 496)
(Deficit) / surplus for the year		**394 078**	**230 469**
Other comprehensive income		-	-
Total comprehensive (loss) / surplus for the year		**394 078**	**230 469**

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Other NDR	Accumulated surplus	Total equity
Balance at 01 July 2023	**1 631 409**	**-**	**1 631 409**
Surplus for the year	-	230 469	230 469
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**230 469**	**230 469**
Transfer between reserves	230 469	(230 469)	-
Total changes	**230 469**	**(230 469)**	**-**
	-	-	-
Balance at 01 July 2024	**1 861 879**	**-**	**1 861 879**
Surplus / Deficit for the year	-	394 078	394 078
Other comprehensive income	-	-	-
Total comprehensive (loss) / surplus for the year	**-**	**394 078**	**394 078**
Transfer between reserves	394 078	(394 078)	-
Total changes	**394 078**	**(394 078)**	**-**
	-	-	-
Balance at 30 June 2025	**2 255 958**	**-**	**2 255 958**
Note	7		

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash receipts from customers		4 334 060	3 934 530
Cash paid to suppliers and employees		(4 023 536)	(3 730 929)
Cash used in operations	12	310 524	203 601
Finance income		109 285	80 284
Tax paid	13	(7 954)	(2 542)
Net cash from operating activities		**411 855**	**281 343**
Cash flows from investing activities			
Purchase of plant and equipment	2	(157 579)	(36 386)
Total cash movement for the year		**254 276**	**244 957**
Cash at the beginning of the year		1 775 068	1 530 110
Total cash at end of the year	5	**2 029 344**	**1 775 067**

ACCOUNTING POLICIES

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, except for biological assets at fair value less point of sale costs, 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:

Item	Depreciation method	Average useful life
CCTV cameras	Straight line	5 years

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.

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

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.

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. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or shortfall.

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 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 loss.

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

1.6 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.

1.7 Borrowing costs

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

ACCOUNTING POLICIES

1.8 Revenue

Revenue comprises revenue income from ratepayers which is collected by the City of Cape Town on the entity’s behalf, net of retention revenue retained.

1.9 Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

1.10 Unauthorised, irregular and fruitless and wasteful Expenditure

Unauthorised, irregular and fruitless and wasteful Expenditure is accounted for as an expense in the statement of financial performance classified in accordance with the nature of the expense. Where recovered it is subsequently accounted for as other income.

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
CCTV Cameras	868 907	(640 045)	228 862	711 329	(604 421)	106 908

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
CCTV Cameras	106 908	157 579	(35 625)	228 862

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
CCTV Cameras	103 207	36 386	(32 685)	106 908

3. Trade and other receivables

	2025	2024
VAT	15 548	8 312

4. Current tax receivable (payable)

	2025	2024
Normal tax	(15 731)	(7 954)

Net current tax receivable (payable)

	2025	2024
Current liabilities	(15 731)	(7 954)

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Bank balances	2 029 345	1 775 068

6. Trade and other payables

	2025	2024
Trade payables	-	20 455
Other payables	2 066	-
	2 066	**20 455**

7. Other NDR

	2025	2024
Non-distributable reserves	2 255 958	1 861 879

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024

8. Revenue

Revenue - Additional Rates Received	4 152 869	3 852 175
Revenue - Additional Rates Retention Received	188 428	82 355
	4 341 297	**3 934 530**

9. Auditor's remuneration

Fees	16 090	14 475

10. Investment income

Interest income		
Other interest	109 285	80 284

11. Taxation

Major components of the tax expense

Current taxation		
South African normal tax - year	15 731	7 954
South African normal tax - prior period (over) under provision	-	2 542
	15 731	**10 496**

Reconciliation of the tax expense

Accounting surplus	409 809	240 965
Tax at the applicable tax rate of 27% (2024: 27%)	110 648	65 061
Tax effect of adjustments on taxable income		
Exempt income		
Exempt income	(81 417)	(43 607)
Other		
Prior period (over) under provisions in current tax	-	2 542
Section 10(1)(e)(i)(cc) exemption	(13 500)	(13 500)
	15 731	**10 496**

Non provision of tax

The entity is subject to tax at 27% on the net investment income in excess of R50 000, in terms of section 10(1)(e)(i)(cc) of the Income Tax Act.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2025	2024

12. Cash generated from operations

Net surplus before taxation	409 809	240 965
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	35 625	32 685
Investment income	(109 285)	(80 284)
Changes in working capital:		
(Increase) decrease in trade and other receivables	(7 237)	(8 312)
Increase (decrease) in trade and other payables	(18 388)	18 547
	310 524	**203 601**

13. Tax refunded

Balance at beginning of the year	(7 954)	-
Current tax for the year recognised in surplus or shortfall	(15 731)	(10 496)
Balance at end of the year	15 731	7 954
	(7 954)	**(2 542)**

14. Related parties

Amounts received from the City of Cape Town

Related party transactions

Revenue services rendered	4 152 869	3 852 175
Revenue retention refunded	188 428	82 355

15. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

16. Fruitless, unauthorised, irregular and wasteful expenditure

Unauthorised expenditure refers to any spending by the CID that doesn't comply with its approved budget or relevant regulations. This includes overspending, using funds for purposes other than those originally approved. No such expenditure was identified.

DETAILED INCOME STATEMENT

Figures in Rand	Note(s)	2025	2024
Revenue			
Revenue - Additional Rates Received		4 152 869	3 852 175
Revenue - Additional Rates Retention Received		188 428	82 355
	8	**4 341 297**	**3 934 530**
Operating expenses			
Accounting fees		(17 970)	(13 800)
Administration and management fees		(555 440)	(523 920)
Advertising		(9 464)	(5 740)
Auditors remuneration	9	(16 090)	(14 475)
Bank charges		(3 799)	(4 046)
Cleansing services		(399 984)	(386 400)
Depreciation		(35 625)	(32 685)
Environmental Upgrading		(2 087)	(11 118)
Insurance		(3 374)	(3 261)
Law enforcement officers		(238 020)	(225 612)
Marketing and Promotions		(15 000)	(12 000)
Motor vehicle expenses		(24 000)	(24 000)
Projects: Battery Backup		(49 455)	-
Projects: Turnstile & Fence		-	(28 232)
Public Safety		(2 460 624)	(2 280 640)
Public Safety - CCTV monitoring		(158 034)	(143 940)
Repairs and maintenance		-	(3 482)
Secretarial Duties		(3 710)	(8 850)
Social Upliftment		(12 375)	(23 400)
Telephone and fax		(18 000)	(18 000)
Urban Maintenance		(17 722)	(10 248)
		(4 040 773)	**(3 773 849)**
Operating surplus/deficit		**300 524**	**160 681**
Investment income	10	109 285	80 284
Surplus before taxation		**409 809**	**240 965**
Taxation	11	(15 731)	(10 496)
Surplus for the year		**394 078**	**230 469**