

# **ANNUAL REPORT**

**Stikland Industrial City Improvement District NPC**  
**Annual Report and Financial Statements**  
**for the year ended 30 June 2025**



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

## Contents

<b>PART A: GENERAL INFORMATION .....</b>	<b>3</b>
1. GENERAL INFORMATION .....	3
2. LIST OF ABBREVIATIONS/ACRONYMS.....	4
3. FOREWORD BY THE CHAIRPERSON .....	5
4. MANAGEMENT OVERVIEW.....	7
5. STATEMENT OF DIRECTORS' RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT.....	9
6. STRATEGIC OVERVIEW.....	10
7. STATUTORY MANDATE .....	10
8. ORGANISATIONAL STRUCTURE.....	11
9. MEET THE TEAM .....	11
<b>PART B: PERFORMANCE INFORMATION.....</b>	<b>12</b>
1. SITUATIONAL ANALYSIS .....	12
2. STRATEGIC OBJECTIVES .....	12
3. COMPLAINTS PROCESS .....	12
4. PERFORMANCE INFORMATION .....	13
4.1. PUBLIC SAFETY .....	13
4.2. MAINTENANCE AND CLEANSING SERVICES .....	17
<b>PART C: CORPORATE GOVERNANCE .....</b>	<b>26</b>
1. APPLICATION OF KING IV .....	26
2. GOVERNANCE STRUCTURE .....	26
3. ETHICAL LEADERSHIP .....	28
4. BOARD OVERSIGHT OF RISK MANAGEMENT .....	28
5. ACCOUNTABILITY .....	30
<b>PART D: FINANCIAL INFORMATION .....</b>	<b>31</b>
1. REPORT OF THE EXTERNAL AUDITOR .....	31
2. ANNUAL FINANCIAL STATEMENTS .....	31

## PART A: GENERAL INFORMATION

### 1. GENERAL INFORMATION

**Company:** Stikland Industrial City Improvement District NPC (SICID) Non-Profit  
**Company Registration No:** Company  
**Registered Office:** 2013/068856/08  
**VAT No:** 10D Kouga Street, Stikland Industrial  
 4510264510

**SICID Directors:**

Juan Du Toit	- Social Upliftment/Marketing
Chrizaan Botha-Human	- Public Safety
Kurt Gouwsventer	- Urban Maintenance

**Ward**

- 3

**Sub-Council**

- 6

**Principle Board Observer**

- Annelize van Zyl

**Alternative Board Observer**

- Mercia Kleinsmith

**Sub-Council Manager**

- Pat Jansen

**Auditors**

- C2M Chartered Accountants

**Accountant**

- Nicolene Cooke's Accounting  
Services

**Company Secretarial Duties**

- C2M Chartered Accountants

**SICID Management**

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

**SICID Manager**

Jeremy Visagie	- 084 667 9209	- sicid@geocentric.co.za
----------------	----------------	--------------------------

**Emergency Contact Details**

Control Room	- 021 565 0900
--------------	----------------

**Public Safety Service  
Provider**

- Byers Security Solutions

**2. LIST OF ABBREVIATIONS/ACRONYMS**

SICID	Stikland Industrial 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,

It is my privilege to present the Chairperson's Report for the Stikland Industrial City Improvement District (SICID) for the financial year 1 July 2024 to 30 June 2025.

#### **Strategic Progress and Governance**

This year marked another important chapter in SICID's mission to safeguard and improve the Stikland Industrial area. Our vision—to create a clean, safe, and well-managed industrial hub that attracts and retains investment—has remained at the core of all our activities. Guided by the Business Plan 2023–2028, the Board continued to provide strong oversight and governance while working closely with the City of Cape Town and our management partner, Geocentric Urban Management.

The Board met regularly throughout the year, with strong attendance and participation from directors, City observers, and stakeholders. Key governance milestones included updated portfolio allocations, adoption of revised CID policy and code of conduct, and the approval of mid-year budget adjustments to address evolving operational priorities.

#### **Public Safety and Security**

Public safety remained our highest priority, accounting for the majority of our budget. Our patrol officers, vehicle units, and motorcycle teams maintained a visible presence supported by CCTV surveillance and a dedicated control room. The integration of AI-enabled cameras and continued collaboration with SAPS, Law Enforcement, and PRASA's security division strengthened our response to crime and urban risks.

#### **Urban Management and Cleaning**

The SICID's cleaning and urban management teams continued to deliver visible improvements. More than 6,000 bags of litter were removed across the year, with notable reductions in illegal dumping, street litter, and urban defects compared to prior years.

Projects such as tree pruning, landscaping, and stormwater maintenance enhanced the area's resilience and attractiveness. Partnerships with NGOs created work opportunities for previously unemployed individuals, aligning with our social responsibility mandate.

#### **Financial Performance**

The audited financial statements confirm that SICID remains in a strong financial position. Revenue for the year was R6.7 million. Expenditure was tightly controlled, with funds allocated to safety, cleaning, CCTV maintenance, and community initiatives. The clean audit opinion issued by C2M Chartered Accountants provides assurance of sound financial stewardship.

#### **Looking Forward**

As SICID enters the next year financial year, we remain committed to building on our achievements. Priorities include:

- Expanding CCTV coverage with new AI-enabled and LPR units.
- Strengthening partnerships with PRASA, SAPS, and the City to secure vulnerable rail and road corridors.
- Investing further in greening, beautification to improve the urban environment.

- Enhancing communication with members through newsletters, website updates, and stakeholder forums.

I extend my sincere thanks to my fellow Board members, management, service providers, and the property owners whose contributions make our work possible. Together, we continue to build an industrial district that is safer, cleaner, and better positioned for sustainable growth.

Thank you for your ongoing trust and support.

**Sincerely,**

**Juan Du Toit**

**Chairperson, Stikland Industrial City Improvement District Non-profit Company**

## 4. MANAGEMENT OVERVIEW

Dear Stakeholders,

The SICID management team, under Geocentric Urban Management, is pleased to present its report on the operations and performance of the City Improvement District for the year 1 July 2024 to 30 June 2025.

### Operations Overview

Management delivered on the six focus areas outlined in the Business Plan:

- **Public Safety & Security** – patrols, CCTV surveillance, control room operations, and law enforcement partnerships.
- **Urban Cleaning & Greening** – litter removal, de-weeding, stormwater clearing, graffiti removal, and landscaping.
- **Urban Management** – identifying, reporting, and assisting with repairs to roads, signage, and lighting.
- **Social Upliftment** – partnerships with NGOs to create work opportunities for vulnerable individuals.
- **Marketing & Communication** – website updates, newsletters, and visible branding through uniforms and vehicles.
- **Stakeholder Engagement** – close cooperation with property owners, SAPS, PRASA, and the City of Cape Town

### Public Safety Performance

- **Incidents addressed:** Hundreds of safety-related interventions were recorded, including removal of abandoned trolleys, illegal dumping, and assistance to members of the public.
- **Crime trends:** While theft out of motor vehicles and stock theft incidents were reported, proactive responses prevented escalation. Law Enforcement operations yielded 55 Section 341 notices and 13 Section 56 notices in March 2025 alone
- **Technology:** AI camera triggers exceeded 95,000 detections in the first quarter of 2025, enhancing early warning capabilities

### Cleaning & Urban Management

- **Waste management:** Over 6,000 bags filled, with visible reductions in street and park litter.
- **Infrastructure support:** Management logged and escalated numerous urban defects, including potholes, signage issues, and faulty lighting.
- **Beautification projects:** Greening and landscaping at Willow Road, Kaymor Street, and La Belle Road intersections improved the district's appearance

### Social Responsibility

Partnerships with NGOs enabled the employment of homeless individuals in short-term cleaning and beautification projects, aligning with SICID's goal of reintegration through work opportunities

### Financial Administration

The management team ensured proper financial controls, with all reports reviewed by the Board. Expenditure was in line with the approved budget, with a surplus carried forward. The audited financial statements confirm SICID's healthy financial position

### **Key Challenges**

- Persistent pressure from criminal activity, particularly along the railway corridor.
- Illegal dumping, although reduced, remains a recurring issue.

### **Outlook for 2025/26**

Management will prioritise:

- Expanding AI-enabled CCTV coverage in identified hotspots.
- Enhancing cooperation with PRASA and Transnet on rail corridor security.
- Piloting public space improvements such as pop-up parks and upgraded public amenities.
- Increasing visibility of SICID's work through digital communication and community outreach.

Sincerely

**Gene Lohrentz**

**Appointed Management Company of the Stikland Industrial City Improvement District NPC**



## **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:

**Juan Du Toit**  
**Chairperson of the Board**  
**29 August 2025**

## 6. STRATEGIC OVERVIEW

### 6.1. Vision

In 2012 the Stikland Industrial area was regarded as a well-established light industrial area. The area also became the target of property related crime, and the lack of dedicated urban management saw some of the public and municipal infrastructure falling into neglect and disrepair. The formation of the Stikland Industrial City Improvement District (SICID) in September 2013 enabled the establishment of a statutory body to manage and implement additional public safety and urban management operations in addition to those services provided by the City of Cape Town.

Now in its third five-year term, the Stikland Industrial City Improvement District has provided public safety and urban management services for several years and have gained the support of the property and business owners in the area.

Our vision is to maintain a safe, clean, well-managed industrial area that attracts and retains industrial and retail business operators.

### 6.2. Mission

Our mission is to maintain an accessible and inviting industrial area attractive and safe for workers, visitors and clients alike. Our strategy for promoting that vision is detailed in our Business Plan, available online at [www.stiklandcid.co.za](http://www.stiklandcid.co.za)

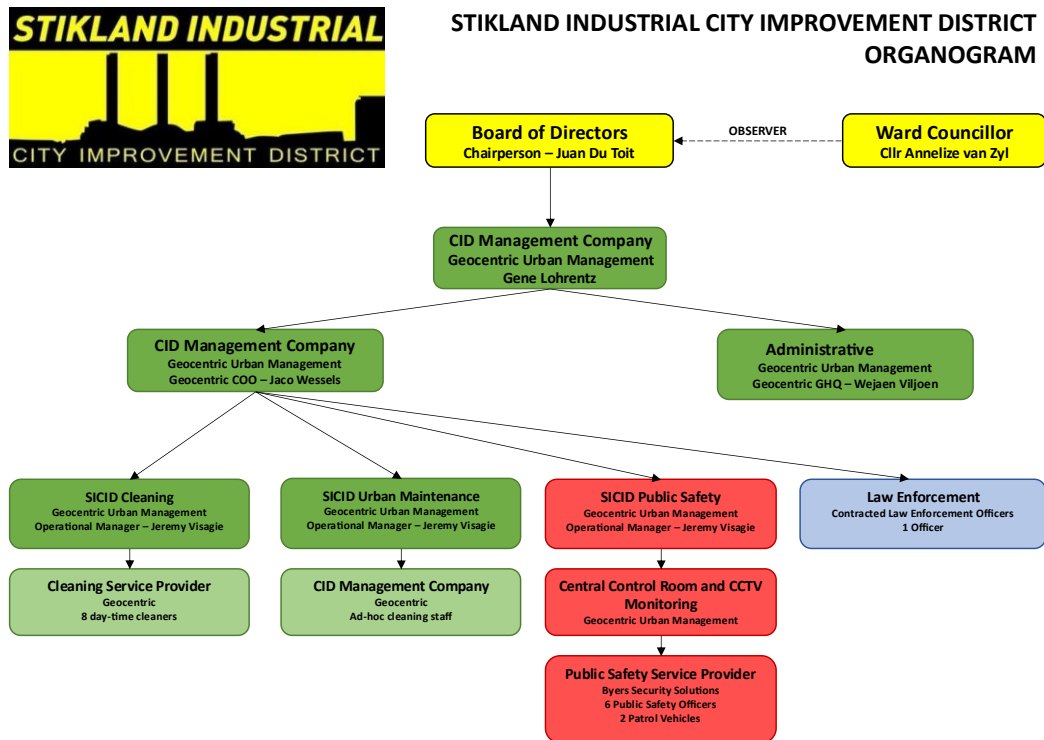
### 6.3. Our Goals

- 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 the promotion of the SICID business area as a safe and clean environment by promoting greening, energy efficiency, recycling and risk/disaster management.
- Support and promote social responsibility in the area
- The sustained and effective management of the SICID

## 7. STATUTORY MANDATE

In terms of the CID By-law and s.22 of the Municipal Property Rates Act, the Stikland Industrial City Improvement District NPC is tasked with considering, developing and implementing improvements and upgrades to the Stikland Industrial 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 THE TEAM



### Geocentric Urban Management Team



<p><b>Gene Lohrentz</b> Chief Executive Officer</p> <ul style="list-style-type: none"> <li>Company enquiries</li> <li>Proposals</li> <li>Community groups and liaison</li> </ul> <p><b>Contact Details</b></p> <p>gene@geocentric.co.za 083 255 7657</p>	<p><b>Jaco Wessels</b> Chief Operating Officer</p> <ul style="list-style-type: none"> <li>Operational enquiries</li> <li>Control Room issues</li> <li>Collaboration requests</li> <li>CCTV enquiries</li> </ul> <p><b>Contact Details</b></p> <p>coo@geocentric.co.za 062 650 3322</p>	<p><b>Wejaen Viljoen</b> Admin &amp; Information Manager</p> <ul style="list-style-type: none"> <li>Admin enquiries</li> <li>Reports</li> <li>AGM enquiries</li> <li>Board Meeting enquiries</li> <li>HR enquiries</li> </ul> <p><b>Contact Details</b></p> <p>admin@geocentric.co.za 062 753 4779</p>	<p><b>Jeremy Visagie</b> CID Manager</p> <ul style="list-style-type: none"> <li>Day-to-day Operations</li> </ul> <p><b>Contact Details</b></p> <p>rmeast@geocentric.co.za 061 971 6155</p>
--	--	--	--

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 SICID the area has been upgraded and maintained. During this term the SICID has responded to the added challenges of the expansion of the industrial area and the associated potential for urban decay, traffic congestion, littering and increased opportunities for crime that may impact the entire SICID area.

In the light of these challenges the SICID aims to continue to enhance the area and work closely with the City of Cape Town to upgrade its infrastructure.

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

All of the day-to-day activities such as meetings, Board meetings, contact with community organisations and engagements with the City of Cape Town returned to normality this year and continued as planned.

### **2. STRATEGIC OBJECTIVES**

Strategically, the SICID 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 Stikland

### **3. COMPLAINTS PROCESS**

The SICID offers numerous channels for dealing with complaints. Formal complaints are lodged to the SICID management via email. The SICID 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 SICID 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 municipal infrastructure failures. 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. Infrastructure failures are either addressed by the SICID cleaning and maintenance 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 SICID 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 SICID 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 SICID.

4.1.3. This plan involves the deployment of Public Safety Patrol Officers (similar to 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:

- 6 x public safety patrol officers patrolling the area on foot, Monday – Friday during the daytime (06:30 – 17:30).
- 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 SICID further enhance its public safety initiative through close cooperation 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	
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	

ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
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 SICID 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 SICID in the local Police sector crime forum.	Incorporate feedback and information in Public Safety and safety initiatives of the SICID Report on any Public Safety information of the SICID 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 SICID Board with recommendations where applicable	Quarterly	
6. Deploy CCTV cameras monitored by a CCTV Control Room	Effective use of CCTV cameras through monitoring	Ongoing	

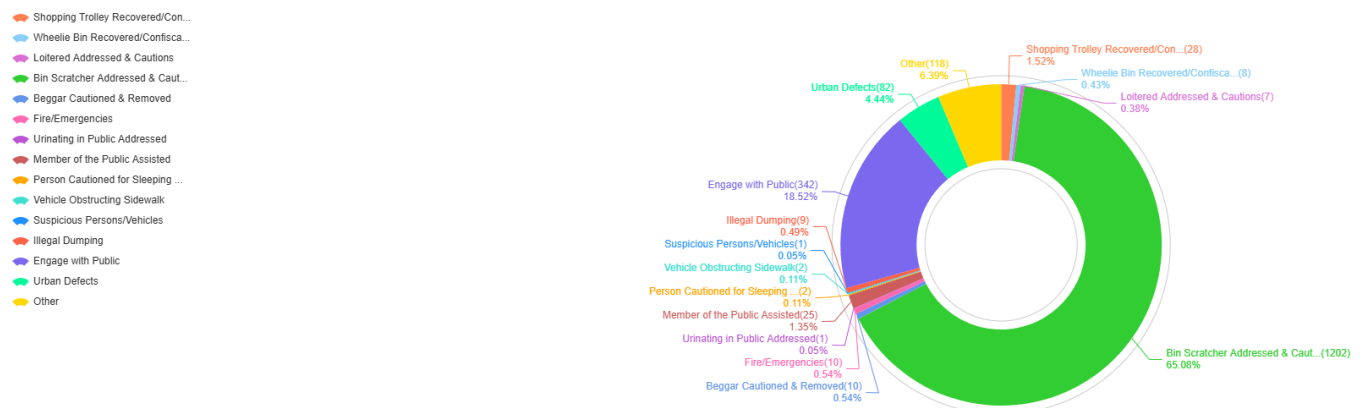
IMPROVE AND CONTINUALLY ASSESS ALIGNMENT OF RESOURCES WITH SAFETY NEEDS OF LOCAL COMMUNITY			
ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	Comments
7. Deploy Law Enforcement Officers in the SICID in support of the Public Safety Initiative	Measure effectiveness through Law Enforcement Statistics	Monthly	
8. Weekly Public Safety Reports from Contract Public Safety Service Provider	Report findings to the SICID 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 performance information***

Type	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Shopping Trolley Recovered/Confiscated	29	62	28	↓	↓
Wheelie Bin Recovered/Confiscated	15	23	8	↓	↓
Unlawful Posters Removed	1	6	0	↓	↓
Loitered Addressed & Cautions	50	65	7	↓	↓

Type	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Drinking in Public Cautioned	4	3	0	↓	↓
Bin Scratcher Addressed & Cautioned	1 005	1 504	1 202	↑	↓
Beggar Cautioned & Removed	6	3	10	↑	↑
Fire/Emergencies	8	16	10	↑	↓
Urinating in Public Addressed	6	5	1	↓	↓
Member of the Public Assisted	84	95	25	↓	↓
Person Cautioned for Sleeping in Public Space	6	7	2	↓	↓
Person Cautioned for Obstructing Sidewalk	1	0	0	↓	→
Vehicle Obstructing Sidewalk	1	13	2	↑	↓
Items Recovered	0	1	0	→	↓
Suspicious Persons/Vehicles	1	2	1	→	↓
Illegal Dumping	28	18	9	↓	↓
Engage with Public	1 270	1 101	342	↓	↓
Urban Defects	116	117	82	↓	↓
Other	99	133	118	↑	↓
<b>TOTAL</b>	<b>2 730</b>	<b>3 174</b>	<b>1 847</b>		

### 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: 59 469 km

Patrol Vehicle 2: 64 694 km

**Total: 124 163 km**

- The most significant challenge to the public safety operations in SICID remains the limited resources.



- The SICID's overall strategy to address the challenge is based on a multi-disciplinary approach which includes the following measures:
  - Engaging the City of Cape Town and the SAPS for the deployment of additional Law Enforcement Officer and SAPS members.
  - Deploy CCTV cameras to enhance the deployment of the Public Safety Operations.

#### 4.1.9. Resource Allocation

- During the reporting period the SICID deployed two public safety foot patrollers, two public safety motorcycle patrollers and two patrol vehicles during the daytime and 1 public safety officers in two patrol vehicles at night during weekdays.
- A budget of R 3 288 600 was expended on the Public Safety deployments for the year, and an additional R 249 300 was allocated for CCTV monitoring. The contracted Law Enforcement Officer contract budget was R 238 202 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
<b>Public Safety</b>	R 3 048 000	R 3 047 952	R 48	R 3 469 335	R 3 288 600	R 180 735
<b>CCTV Monitoring</b>	R 261 600	R 261 600	-	R 280 000	R 249 300	R 30 700
<b>Law Enforcement</b>	R 226 000	R 225 612	R 388	R 251 800	R 238 202	R 13 780

## 4.2. MAINTENANCE AND CLEANSING SERVICES

4.2.1. The SICID 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 establishing 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 SICID 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 SICID 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 SICID. 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:

- 7 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 SICID 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 below
4. Remove Illegal Dumping from Public Spaces	Measure effectiveness through Cleaning Statistics	Monthly	See the Table 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 below
6. Remove unlawful or unsightly stickers and posters from public infrastructure	Measure effectiveness through Cleaning Statistics	Monthly	See the Table 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 SICID 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

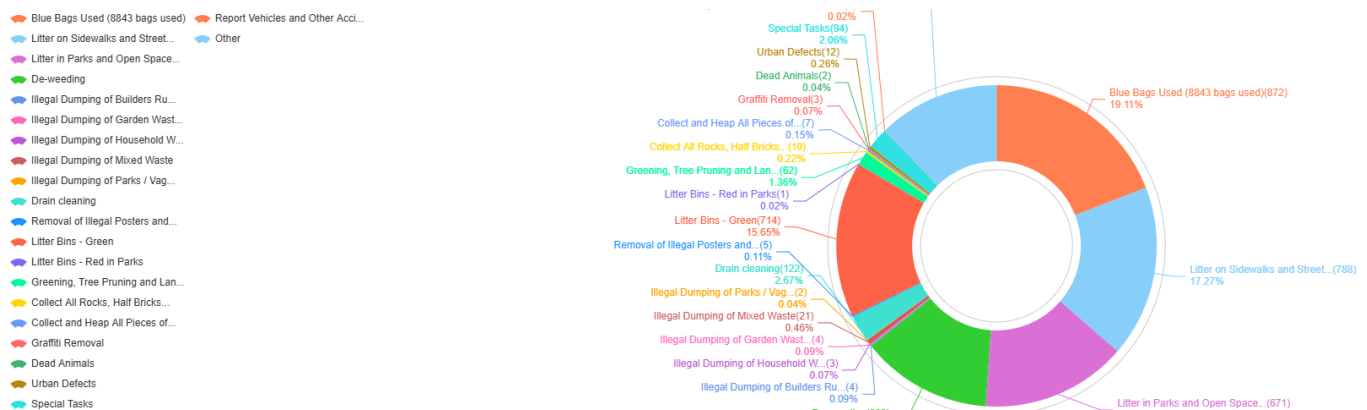
<b>MAINTENANCE OF PUBLIC GREEN AREAS</b>			
<b>ACTION STEPS</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>FREQUENCY per year</b>	<b>Comments</b>
1. Mow street verges	Measure effectiveness through Urban Maintenance Statistics	Monthly	See the Table below
2. Tree pruning and landscaping.	Measure effectiveness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

### ***Cleansing Summary Report***

<b>Type</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2022/23 - 2024/25</b>	<b>2023/24 - 2024/25</b>
Blue Bags Used	10 111	11 324	8 843	↓	↓
Litter on Sidewalks and Streets	1 594	2 092	788	↓	↓
Litter in Parks and Open Spaces	1 592	2 090	671	↓	↓
De-weeding	538	1 813	603	↑	↓
Illegal Dumping of Builders Rubble	1	7	4	↑	↓
Illegal Dumping of Garden Waste	1	2	4	↑	↑
Illegal Dumping of Household Waste	5	9	3	↓	↓
Illegal Dumping of Mixed Waste	8	26	21	↑	↓
Illegal Dumping of Parks / Vagrants	3	1	2	↓	↑
Drain cleaning	74	149	122	↑	↓

Type	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Removal of Illegal Posters and Pamphlets from Public Spaces and Non-municipal Infrastructure	26	25	5	↓	↓
Litter Bins - Green	1 441	2 088	714	↓	↓
Litter Bins - Red in Parks	1	0	1	→	↑
Greening, Tree Pruning and Landscaping	20	29	62	↑	↑
Collect All Rocks, Half Bricks, Concrete Pieces	25	16	10	↓	↓
Collect and Heap All Pieces of Wood and Other Objects	19	22	7	↓	↓
Graffiti Removal	10	4	3	↓	↓
Dead Animals	2	7	2	→	↓
Ensure Litter Bins are Emptied from City	0	2	0	→	↓
Ensure All Wheelie bins are Collected	45	358	0	↓	↓
Urban Defects	57	4	12	↓	↑
Special Tasks	197	208	94	↓	↓
Report Vehicles and Other Accidents	0	2	1	↑	↓
Other	498	2 086	561	↑	↓
<b>TOTAL</b>	<b>7 777</b>	<b>13 123</b>	<b>4 562</b>		

### Cleansing Task Graph



### Urban Management Task List

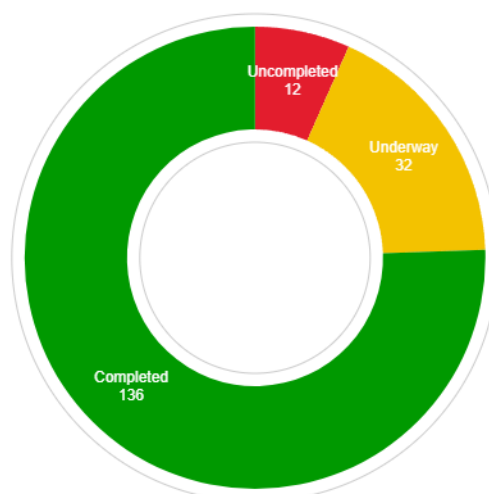
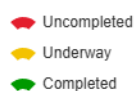
Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
City Parks (Enquiries)	Enquiries-Parks	1	0	0	↓	→
<b>City Parks (Enquiries) Total</b>		<b>1</b>	<b>0</b>	<b>0</b>	↓	→
City Parks (Maintenance)	Bush clearing/weed control	1	2	2	↑	→
City Parks (Maintenance)	Mowing	6	3	1	↓	↓
City Parks (Maintenance)	Tree removal	1	1	0	↓	↓
City Parks (Maintenance)	Tree trimming/pruning	1	1	3	↑	↑
<b>City Parks (Maintenance) Total</b>		<b>9</b>	<b>7</b>	<b>6</b>	↓	↓
Electricity (Domestic & Commercial Supply)	No power supply	0	4	0	→	↓

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
<b>Electricity (Domestic &amp; Commercial Supply) Total</b>		<b>0</b>	<b>4</b>	<b>0</b>	→	↓
Electricity (Equipment damage & exposure)	Equipment damaged	1	6	1	→	↓
Electricity (Equipment damage & exposure)	Exposed cable	7	1	2	↓	↑
Electricity (Equipment damage & exposure)	Kiosk damaged	1	5	0	↓	↓
Electricity (Equipment damage & exposure)	Pole knocked down in vehicle accident	1	1	1	→	→
<b>Electricity (Equipment damage &amp; exposure) Total</b>		<b>10</b>	<b>13</b>	<b>4</b>	↓	↓
Electricity (Issues resulting from motor vehicle accidents)	Pole knocked down in vehicle accident	1	4	2	↑	↓
<b>Electricity (Issues resulting from motor vehicle accidents) Total</b>		<b>1</b>	<b>4</b>	<b>2</b>	↑	↓
Electricity (Street lighting)	All streetlights are out	19	18	17	↓	↓
Electricity (Street lighting)	Individual streetlights are out	28	37	14	↓	↓
<b>Electricity (Street lighting) Total</b>		<b>47</b>	<b>55</b>	<b>31</b>	↓	↓
Electricity (Wires)	Wires are down	0	1	0	→	↓
<b>Electricity (Wires) Total</b>		<b>0</b>	<b>1</b>	<b>0</b>	→	↓
Fire-Fighting Services	Faulty hydrants	1	0	3	↑	↑
<b>Fire-Fighting Services Total</b>		<b>1</b>	<b>0</b>	<b>3</b>	↑	↑
Litter Bins (Public)	Litter bins are not being emptied/serviced	0	0	1	↑	↑
Litter Bins (Public)	New or additional litter bins required	0	6	1	↑	↓
<b>Litter Bins (Public) Total</b>		<b>0</b>	<b>6</b>	<b>2</b>	↑	↓
Roads and storm water (Maintenance required)	Paint or repaint road marking, lines, etc.	0	6	15	↑	↑
Roads and storm water (Maintenance required)	Repair a pothole	20	15	37	↑	↑
Roads and storm water (Maintenance required)	Repair or replace bollards, guards or handrails	3	2	1	↓	↓
Roads and storm water (Maintenance required)	Repair or replace street name signs	1	0	0	↓	→
Roads and storm water (Maintenance required)	Repair road or footway	3	8	3	→	↓
Roads and storm water (Maintenance required)	Traffic and road signs require attention	1	2	2	↑	→
<b>Roads and storm water (Maintenance required) Total</b>		<b>28</b>	<b>33</b>	<b>58</b>	↑	↑
Roads and stormwater (enquiries)	All enquiries (information, advice, etc.)	0	1	0	→	↓
<b>Roads and stormwater (enquiries) Total</b>		<b>0</b>	<b>1</b>	<b>0</b>	→	↓
Roads and stormwater (flooding)	Flooding of property	0	0	1	↑	↑

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
Roads and stormwater (flooding)	Flooding of road	0	2	2	↑	→
<b>Roads and stormwater (flooding) Total</b>		<b>0</b>	<b>2</b>	<b>3</b>	↑	↑
Roads and stormwater (Illegal advertising)	Unauthorized signs or advertising in roadway	0	4	0	→	↓
<b>Roads and stormwater (Illegal advertising) Total</b>		<b>0</b>	<b>4</b>	<b>0</b>	→	↓
Roads and stormwater (Missing covers and grids)	Repair or replace manhole cover or grid	34	16	26	↓	↑
<b>Roads and stormwater (Missing covers and grids) Total</b>		<b>34</b>	<b>16</b>	<b>26</b>	↓	↑
Roads and stormwater (Unsafe surface)	Road surface compromised by oil, sand, etc.	0	3	1	↑	↓
<b>Roads and stormwater (Unsafe surface) Total</b>		<b>0</b>	<b>3</b>	<b>1</b>	↑	↓
Safety and security (Problem buildings)	Unkempt/abandoned buildings	1	1	0	↓	↓
<b>Safety and security (Problem buildings) Total</b>		<b>1</b>	<b>1</b>	<b>0</b>	↓	↓
Safety and security (Squatters)	Illegal structures and/or squatters	0	1	0	→	↓
<b>Safety and security (Squatters) Total</b>		<b>0</b>	<b>1</b>	<b>0</b>	→	↓
Sewer	Sewer-foul smell	0	1	0	→	↓
Sewer	Sewer-manhole cover-damaged	1	1	0	↓	↓
Sewer	Sewer-manhole cover-stolen/missing	0	0	1	↑	↑
Sewer	Sewer: blocked/overflow	13	11	8	↓	↓
<b>Sewer Total</b>		<b>14</b>	<b>13</b>	<b>9</b>	↓	↓
Social Development & early childhood development	Poverty alleviation (food gardens)	0	0	1	↑	↑
<b>Social Development &amp; early childhood development Total</b>		<b>0</b>	<b>0</b>	<b>1</b>	↑	↑
Solid waste (Dumping, beaches and street sweeping)	Illegal dumping	0	4	0	→	↓
<b>Solid waste (Dumping, beaches and street sweeping) Total</b>		<b>0</b>	<b>4</b>	<b>0</b>	→	↓
Stormwater (Blockages)	Stormwater gulley or manhole blocked	2	8	8	↑	→
<b>Stormwater (Blockages) Total</b>		<b>2</b>	<b>8</b>	<b>8</b>	↑	→
Traffic (Speeding, taxis, parking, etc.)	Abandoned vehicles	0	1	1	↑	→
Traffic (Speeding, taxis, parking, etc.)	Parking enforcement	1	6	1	→	↓
Traffic (Speeding, taxis, parking, etc.)	Speeding	1	0	0	↓	→
Traffic (Speeding, taxis, parking, etc.)	Taxi problems	1	0	0	↓	→

Category	Category	2022/23	2023/24	2024/25	2022/23 - 2024/25	2023/24 - 2024/25
<b>Traffic (Speeding, taxis, parking, etc.) Total</b>		<b>3</b>	<b>7</b>	<b>2</b>	↓	↓
Traffic Signals	Congested traffic at intersections	0	2	0	→	↓
Traffic Signals	Pedestrian lights are out	0	0	1	↑	↑
Traffic Signals	Request for traffic signals	1	0	1	→	↑
Traffic Signals	Robot down	3	0	0	↓	→
Traffic Signals	Traffic lights are flashing	3	4	4	↑	→
Traffic Signals	Traffic lights are stuck	1	1	0	↓	↓
<b>Traffic Signals Total</b>		<b>8</b>	<b>7</b>	<b>6</b>	↓	↓
Transport (Buses and Taxis)	Taxi problems	1	0	0	↓	→
<b>Transport (Buses and Taxis) Total</b>		<b>1</b>	<b>0</b>	<b>0</b>	↓	→
Transport (Speed bumps and signage)	Traffic signage damaged	0	1	1	↑	→
<b>Transport (Speed bumps and signage) Total</b>		<b>0</b>	<b>1</b>	<b>1</b>	↑	→
Water	Bees in water meter/fire hydrant	1	0	0	↓	→
Water	Burst pipe	11	5	2	↓	↓
Water	Customer-Meter reading/consumption	0	1	0	→	↓
Water	Fire hydrant: missing cover	1	5	0	↓	↓
Water	Leak at fire hydrant	2	6	3	↑	↓
Water	Leak at valve	0	0	2	↑	↑
Water	Leak at water meter/stopcock	0	0	2	↑	↑
Water	Leak at WMD meter	1	0	0	↓	→
Water	Leak in road/pavement/underground	8	7	5	↓	↓
Water	Meter: missing cover	4	0	1	↓	↑
Water	Re-instatement after water incident	0	1	2	↑	↑
Water	Water quality-discoloration	0	2	0	→	↓
Water	Water run to waste	3	3	0	↓	↓
<b>Water Total</b>		<b>31</b>	<b>30</b>	<b>17</b>	↓	↓
<b>TOTAL</b>		<b>191</b>	<b>221</b>	<b>180</b>		

### Urban Maintenance Task Graph



- Although the SICID improved the cleanliness of most public environments in the area, the most challenging area remains the river drainage area and the verges of the Bottellary Road.
- The SICID 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 taxi ranking along Bottellary Road and to minimise solid waste management challenges for the area.

#### 4.2.6. Resource Allocation

- In addition to the deployment of the day-time cleaning teams, the SICID increased the number of day-time cleaners to eight workers.

*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
<b>Cleaning Services</b>	R 670 000	R 668 443	R 1 557	R 716 900	R 716 900	-
<b>Environmental Upgrading</b>	R 38 000	R 36 450	R 1 550	R 50 000	R 49 357	R 643
<b>Urban Management</b>	R 22 000	R 21 667	R 333	R 14 000	R 13 684	R 316

### 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 SICID coordinates its 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. Resource Allocation

*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 50 000	R 42 850	R 7 150	R 48 000	R 48 000	-

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

<b>Juan Du Toit - Chairperson</b>	
<b>Portfolio</b>	Social Upliftment / Marketing
<b>Appointment Date</b>	23/05/2013
<b>Kurt Gouwsventer - Director</b>	
<b>Portfolio</b>	Urban Maintenance / Cleaning
<b>Appointment Date</b>	23/05/2013
<b>Chrizanne Botha-Human - Director</b>	
<b>Portfolio</b>	Public Safety
<b>Appointment Date</b>	22/06/2022

#### 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. Annelize van Zyl 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 committee 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	18/09/2024	*06/11/2024	05/02/2025	07/05/2025
Kurt Gouwsventer	3 / 4	✓	-	✓	✓
Chrizanne Botha-Human	3 / 4	✓	-	✓	✓
Juan Du Toit	3 / 4	✓	-	✓	✓

\* Due to unforeseen circumstances on 6 November 2024, the Board of Directors was unable to meet the quorum requirement for its scheduled meeting. However, the Board Information Pack had been circulated in advance, ensuring directors were fully briefed. The required decisions were subsequently taken by way of a round robin resolution, in

line with good governance practice and the provisions of the City of Cape Town's CID Policy.

### 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.stiklandcid.co.za](http://www.stiklandcid.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>

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 SICID board is committed to maintaining a comprehensive risk management policy aimed at safeguarding the SICID'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 SICID 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 SICID'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 SICID 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 Stikland Industrial City Improvement District NPC (SICID) 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 SICID'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 SICID 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 SICID.

## **5. ACCOUNTABILITY**

### **5.1. Performance reviews**

During the reporting period, the SICID 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 SICID'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 SICID. 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 SICID has a procurement policy which outlines the procurement of goods and services for the SICID. The procurement process is the acquisition process (purchasing) of goods and/or services. The procurement process is meant to ensure that the SICID's needs are met for the best possible cost in terms of quality, time, and other relevant factors to support the SICID's operations.

## **PART D: FINANCIAL INFORMATION**

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

See full report below

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

See full report below

RISK REGISTER						ANNEXURE C
Risk Category	Description	Likelihood	Impact	Mitigation / Controls	Responsible Party	Status / Notes
Governance	Board governance, code of conduct compliance, and CID policy adherence	Medium	High	Regular board training; enforce code of conduct	Board & Management	Ongoing
Financial	Arrears risk and cash flow constraints due to non-payment of levies	Medium	High	Maintain arrears monitoring, engage property owners	Management	Monitored quarterly
Operational	CCTV camera maintenance failures and limited battery backup	Medium	High	Upgrade infrastructure, ensure maintenance contracts	Management	In progress
Public Safety	Crime incidents including burglary, theft from vehicles, and extortion	High	High	Deploy patrol officers, expand CCTV, coordinate with SAPS	Management	Active monitoring
Urban Management	Illegal dumping, graffiti, urban defects impacting environment	High	Medium	Cleaning programme, rapid response to defects	Management	Active
Social	Homelessness, vagrancy, and social challenges near railway line	High	Medium	Partnerships with NGOs, job creation through cleaning projects	Management	Ongoing
Stakeholder Relations	PRASA railway security and cable theft risks	High	High	Engagement with PRASA security, working groups	Management	Active engagement
Safety	Public safety incidents (loitering, bin scratching, assaults, robbery)	High	High	AI-enabled cameras, law enforcement partnerships, joint ops	Management	Monitored
Operational	Vehicle obstructions, infrastructure damage (e.g., poles, cables)	Medium	Medium	Coordination with City services, preventative maintenance	Management	Monitored
Financial	Reliance on levy income with minimal reserves	Medium	High	Maintain reserves, strict arrears follow-up, cautious budgeting	Board & Management	Stable
Compliance	Regulatory and audit compliance risk	Low	High	Annual external audit, board oversight	Board & Management	Compliant



**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**  
**(REGISTRATION NUMBER 2013/068856/08)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

## STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)

(REGISTRATION NUMBER: 2013/068856/08)

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	KA Gouwsventer C Botha Human J Du Toit
Registered office	10D Kouga Street Stikland Industrial Bellville 7530
Business address	10D Kouga Street Stikland Industrial Bellville 7530
Postal address	10D Kouga Street Stikland Industrial Bellville 7530
Bankers	Standard Bank Limited
Auditors	C2M Chartered Accountants Incorporated Registered Auditors IRBA No: 958662
Company registration number	2013/068856/08
Tax reference number	9194/67/11/87
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

# **STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025**

## **INDEX**

---

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

	<b>Page</b>
Directors' Responsibilities and Approval	3
Directors' Report	4
Independent Auditor's Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 13
Notes to the Annual Financial Statements	14 - 16
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	17

## STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### 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.

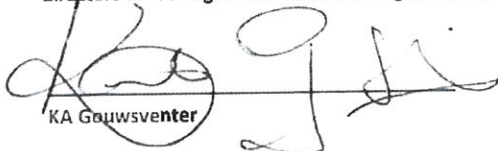
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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.

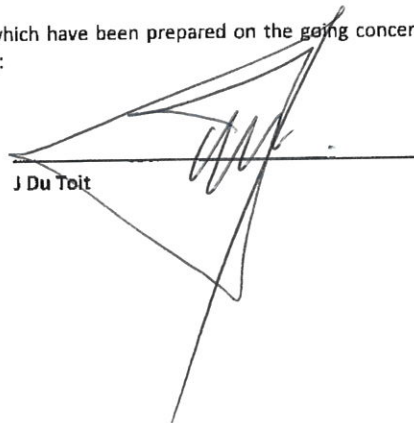
The directors have reviewed the company's cash flow forecast for the year to 30 June 2026 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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:



KA Gouwsventer



J Du Toit

## **STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### **DIRECTORS' REPORT**

---

The directors have pleasure in submitting their report on the annual financial statements of Stikland Industrial 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 Stikland Industrial City Improvement District 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**

KA Gouwsventer

C Botha Human

J Du Toit

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.

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of Stikland Industrial City Improvement District (NPC)

#### Opinion

We have audited the annual financial statements of Stikland Industrial 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 Stikland Industrial 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 "Stikland Industrial 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.



## INDEPENDENT AUDITOR'S REPORT

---

### 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**



**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025**

Figures in Rand	Note(s)	2025	2024
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	445 352	276 987
<b>Current Assets</b>			
Trade and other receivables	3	78 849	122 247
Cash and cash equivalents	4	5 600 480	4 682 562
		<b>5 679 329</b>	<b>4 804 809</b>
<b>Total Assets</b>		<b>6 124 681</b>	<b>5 081 796</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Non-distributable Reserves		6 029 325	4 998 005
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	-	22 147
Current tax payable	6	95 356	61 644
		<b>95 356</b>	<b>83 791</b>
<b>Total Equity and Liabilities</b>		<b>6 124 681</b>	<b>5 081 796</b>



**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**STATEMENT OF COMPREHENSIVE INCOME**

Figures in Rand	Note(s)	2025	2024
Revenue	8	6 728 442	6 306 756
Operating expenses		(6 008 107)	(5 668 835)
<b>Operating surplus</b>		<b>720 335</b>	<b>637 921</b>
Investment revenue	10	406 341	280 731
<b>Surplus before taxation</b>		<b>1 126 676</b>	<b>918 652</b>
Taxation	11	(95 356)	(61 644)
<b>Surplus for the year</b>		<b>1 031 320</b>	<b>857 008</b>
Other comprehensive income		-	-
<b>Total comprehensive surplus for the year</b>		<b>1 031 320</b>	<b>857 008</b>

**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**STATEMENT OF CHANGES IN EQUITY**

<b>Figures in Rand</b>	<b>Other NDR</b>	<b>Retained income</b>	<b>Total equity</b>
<b>Balance at 01 July 2023</b>	<b>4 140 997</b>	<b>-</b>	<b>4 140 997</b>
Surplus for the year	-	857 008	857 008
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>857 008</b>	<b>857 008</b>
Transfer between reserves	857 008	(857 008)	-
<b>Total changes</b>	<b>857 008</b>	<b>(857 008)</b>	<b>-</b>
<b>Balance at 01 July 2024</b>	<b>4 998 005</b>	<b>-</b>	<b>4 998 005</b>
Surplus for the year	-	1 031 320	1 031 320
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>1 031 320</b>	<b>1 031 320</b>
Transfer between reserves	1 031 320	(1 031 320)	-
<b>Total changes</b>	<b>1 031 320</b>	<b>(1 031 320)</b>	<b>-</b>
<b>Balance at 30 June 2025</b>	<b>6 029 325</b>	<b>-</b>	<b>6 029 325</b>
Note(s)	7		

**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**STATEMENT OF CASH FLOWS**

Figures in Rand	Note(s)	2025	2024
<b>Cash flows from operating activities</b>			
Cash generated from operations	12	847 740	980 133
Interest income		406 341	280 731
Tax paid	13	(61 644)	-
<b>Net cash from operating activities</b>		<b>1 192 437</b>	<b>1 260 864</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(274 518)	(68 242)
<b>Total cash movement for the year</b>		<b>917 919</b>	<b>911 891</b>
Cash and cash equivalents at the beginning of the year		4 682 562	3 770 671
<b>Total cash at end of the year</b>	4	<b>5 600 481</b>	<b>4 682 562</b>

# STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

## 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
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	5 years
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.

## **STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### **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 NPC 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 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.

#### **1.6 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 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.

## **STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### **ACCOUNTING POLICIES**

---

#### **1.8 Borrowing costs**

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

#### **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.

**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**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
Fencing	10 600	(10 599)	1	10 600	(10 599)	1
Office equipment	6 086	(6 085)	1	6 086	(6 085)	1
CCTV Cameras	1 488 403	(1 043 053)	445 350	1 213 885	(936 900)	276 985
<b>Total</b>	<b>1 505 089</b>	<b>(1 059 737)</b>	<b>445 352</b>	<b>1 230 571</b>	<b>(953 584)</b>	<b>276 987</b>

**Reconciliation of property, plant and equipment - 2025**

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	1	-	-	1
Office equipment	1	-	-	1
CCTV Cameras	276 985	274 518	(106 153)	445 350
	<b>276 987</b>	<b>274 518</b>	<b>(106 153)</b>	<b>445 352</b>

**Reconciliation of property, plant and equipment - 2024**

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	1	-	-	1
Office equipment	1	-	-	1
CCTV Cameras	301 158	68 242	(92 415)	276 985
	<b>301 160</b>	<b>68 242</b>	<b>(92 415)</b>	<b>276 987</b>

**3. Trade and other receivables**

Prepayments	28 735	32 944
Deposits	45 000	45 000
VAT	5 114	-
Accrued income	-	44 303
	<b>78 849</b>	<b>122 247</b>

**4. Cash and cash equivalents**

Cash and cash equivalents consist of:

Bank balances	5 600 480	4 682 562
---------------	-----------	-----------

**5. Trade and other payables**

VAT	-	2 087
Accrual account	-	20 060
	<b>-</b>	<b>22 147</b>

**6. Current tax receivable (payable)**

Normal tax	(95 356)	(61 644)
------------	----------	----------

**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

Figures in Rand	2025	2024
<b>6. Current tax receivable (payable) (continued)</b>		
<b>Net current tax receivable (payable)</b>		
Current liabilities	(95 356)	(61 644)
<b>7. Other NDR</b>		
Non-distributable reserves	6 029 325	4 998 005
<b>8. Revenue</b>		
Revenue - Additional Rates Received	6 332 541	5 844 575
Revenue – Additional Rates Retention Received	395 901	462 181
	<b>6 728 442</b>	<b>6 306 756</b>
<b>9. Auditor's remuneration</b>		
Fees	23 340	22 550
<b>10. Investment revenue</b>		
<b>Interest income</b>		
Other interest	406 341	280 731
<b>11. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current taxation</b>		
South African normal tax - year	95 356	61 644
<b>Reconciliation of the tax expense</b>		
Accounting surplus	1 126 676	918 652
Tax at the applicable tax rate of 27% (2024: 27%)	304 203	248 036
<b>Tax effect of adjustments on taxable income</b>		
<b>Exempt income</b>		
Exempt income	(195 347)	(172 892)
<b>Other</b>		
Exemption under section 10(1)(e)(i)(cc)	(13 500)	(13 500)
	<b>95 356</b>	<b>61 644</b>
<b>Non provision of tax</b>		

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.



**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

Figures in Rand	2025	2024
<b>12. Cash generated from operations</b>		
Net surplus before taxation	1 126 676	918 652
<b>Adjustments for:</b>		
Depreciation, amortisation, impairments and reversals of impairments	106 153	92 415
Investment income	(406 341)	(280 731)
<b>Changes in working capital:</b>		
(Increase) decrease in trade and other receivables	43 399	(52 438)
Increase (decrease) in trade and other payables	(22 147)	21 505
	<b>847 740</b>	<b>699 403</b>
<b>13. Tax paid</b>		
Balance at beginning of the year	(61 644)	-
Current tax for the year recognised in surplus or shortfall	(95 356)	(61 644)
Balance at end of the year	95 356	61 644
	<b>(61 644)</b>	<b>-</b>
<b>14. Related parties</b>		
<b>Related party balances and transactions with other related parties</b>		
<b>Related party balances</b>		
<b>Amounts received from the City of Cape Town</b>		
Revenue services rendered	6 332 541	5 844 575
Revenue retention refunded	395 901	462 181

**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.

**STIKLAND INDUSTRIAL CITY IMPROVEMENT DISTRICT (NPC)**

(REGISTRATION NUMBER: 2013/068856/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

**DETAILED INCOME STATEMENT**

Figures in Rand	Note(s)	2025	2024
<b>Revenue</b>			
Revenue – Additional Rates Received		6 332 541	5 844 575
Revenue – Additional Rates Retention Received		395 901	462 181
	8	<b>6 728 442</b>	<b>6 306 756</b>
<b>Operating expenses</b>			
Accounting and taxation fees		(25 475)	(23 375)
Administration and management fees		(869 079)	(819 960)
Advertising costs		(5 548)	(5 740)
Auditors remuneration	9	(23 340)	(22 550)
Bank charges		(3 123)	(2 814)
Cleansing services		(716 905)	(668 443)
Conferences & seminars – National		-	(1 200)
Depreciation		(106 153)	(92 415)
Environmental upgrading		(49 357)	(36 450)
Equipment Hire		(37 277)	(32 942)
Insurance		(3 965)	(3 696)
Law Enforcement Officers		(238 020)	(225 612)
Office rental		(274 516)	(275 325)
Projects: CCTV Battery Backup		(49 335)	(38 465)
Projects: Turnstile		-	(34 774)
Public Safety - CCTV monitoring		(249 300)	(261 600)
Public safety		(3 288 600)	(3 047 952)
Repairs and maintenance		(2 720)	(3 005)
Secretarial duties		(3 710)	(8 000)
Social upliftment		(48 000)	(42 850)
Urban Maintenance		(13 684)	(21 667)
		<b>(6 008 107)</b>	<b>(5 668 835)</b>
<b>Operating surplus</b>		<b>720 335</b>	<b>637 921</b>
Investment income	10	406 341	280 731
<b>Surplus before taxation</b>		<b>1 126 676</b>	<b>918 652</b>
Taxation	11	(95 356)	(61 644)
<b>Surplus for the year</b>		<b>1 031 320</b>	<b>857 008</b>