

ANNUAL REPORT

Overkloof NPC

Registration number: 2018/445811/08

**Annual Report and Financial Statements
for the year ended 30 June 2024**



Our online report is available at <https://www.overkloofsra.co.za/>

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PART A: GENERAL INFORMATION

GENERAL INFORMATION

Registered name:	Overkloof Community Improvement District
Registration no:	2018/445811/08
Physical address:	5 Bridoon Close, Overkloof, Hout Bay, 7806
Postal address:	PO Box 26455, Hout Bay, 7872
Email address:	johno@fraxion.biz
Website address:	www.overkloofsra.co.za
External auditors:	Harry Curtis & Company, OCID's auditors since inception
Banker's information:	Standard Bank, Thibault Square
Company Secretary:	John O'Callaghan

LIST OF ABBREVIATIONS/ACRONYMS

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CID	Community Improvement District
CCT	City of Cape Town
KPI	Key performance indicators
SCM	Supply chain management
POS	Public open space, e.g. a pathway
Common Area	Includes POS, road reserve, pavements, parks
HBNW	Hout Bay Neighbourhood Watch
CCP	Community Crime Prevention

FOREWORD BY THE CHAIRPERSON

I am pleased to present the OCID Annual Report for 2023/2024, highlighting our ongoing efforts to improve quality of life in Hout Bay through safety, cleanliness, and community enhancement.

In the past year, OCID has maintained our community services in public safety, urban management, and social programmes, all while addressing ongoing challenges. Our financial management remains strong, and we are well-positioned to continue delivering valuable services to our residents and stakeholders.

Key achievements included:

- Safety: Maintained 17 CCTV cameras in strategic locations, working with community security groups. Installed Infrared camera along the pipetrack and along thermal cameras along the mountain pathway
- Environmental: Initiated engagement with Dr Guy Preston to assist with fire prevention measures and commissioning of water impact assessment relating to the removal of gum trees;
- Successful planting and maintenance of over 100 trees sourced from the city nursery at no cost
- Urban Renewal: Upgraded public areas, including clean-ups and landscaping.

Ongoing projects:

- Picnic Area Upgrades: Improved forest access with new steps and railings.

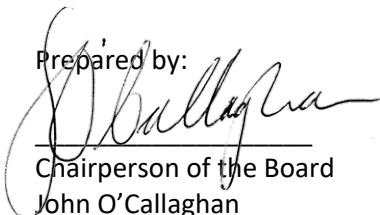
The strategic objectives of the overcloud CID as documented in the business plan include:

- Improve public safety
- Promote and safeguard the interests of the residents of overproof
- Ensure the suburb remains clean and free from litter and illegal dumping
- Promote and ensure interaction with the greater community of the metropole and especially of all sectors of the community within the ward
- Respect and protect the natural and built in
- Establish a social development program or partner with an existing program to reduce the impact of social issues

For the coming year, we aim to continue public safety measures, strengthen social programmes, and increase sustainability efforts.

We thank our directors, committee members, partners, and the city council for their continued support and collaboration as we work toward a safer, sustainable, and inclusive community.

Prepared by:



Chairperson of the Board

John O'Callaghan

Date: 06 November 2024

OVERKLOOF FINANCIAL OVERVIEW

Herewith a summary of the Overkloof CID's financial position:

- Revenues R553k (2023: R544K)
- Net surplus R132k (2023: R144k)
- Cash on hand R706k (2022: R569k)

Budget Allocation 2025/26

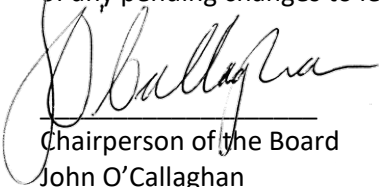
1. Public Safety: R314k
2. Urban Management: R109k
3. Environmental Initiatives R52k
4. Social Programmes: R28k

The OCID governs its supply chain management processes via procedures for procurement and for the evaluation of bids. No supply chain management-related challenges were experienced during the course of the year.

No audit report matters were noted, and no out-of-the-ordinary financial challenges were encountered.

No material events after the reporting date were recorded.

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 believe the company will receive sufficient funding to meet its foreseeable cash requirements. 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.



Chairperson of the Board
John O'Callaghan

Date: 06 November 2024

STATEMENT OF DIRECTORS' RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

We confirm that, to the best of our knowledge:

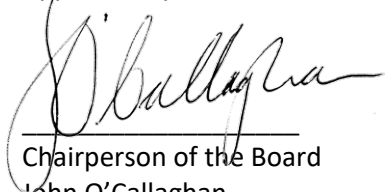
All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Harry Curtis & Company.

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 16 August 2024 and signed on behalf by:

A handwritten signature in black ink, appearing to read 'J. O'Callaghan', is written over a horizontal line.

Chairperson of the Board

John O'Callaghan

Date: 06 November 2024

STRATEGIC OVERVIEW

Vision

The role of the OCID is to provide a sustainable infrastructure and platform that will allow our community to enjoy a safe, harmonious and peaceful natural environment – while ensuring the protection and growth of homeowners' property values. The vision of the OCID is to ensure that Overkloof:

- Retains its peaceful, close to nature, residential, family friendly, and community driven character.
- Is a neighbourhood where visitors and residents can be safe as they enjoy their homes and public areas.
- Is an area where the abundant natural indigenous biodiversity is encouraged and protected.
- Is kept clean and well looked after
- Has a positive shared sense of community
- Plays its own role in promoting a prosperous, inclusive and healthy Cape Town - where people can see their hopes of a better future become a reality.

Mission

The creation of a sustainable infrastructure and platform from which the residents and the public will benefit through the enjoyment of the public and private spaces, enhanced personal safety and the protection and growth of the homeowners property values.



Our strategy for promoting that vision is detailed in our Business Plan, available online at <https://www.overkloofsra.co.za/copy-of-agm-2023>

Values

Transparency & Accountability: Ensured through board members' visibility and accessibility via social media, regular updates, annual reports to the community, and publication of relevant documents online.

Collaboration and Community Building: Recognizing our strength in unity, we encourage community input, participation, and support forums that foster cohesion and harmony.

Simplicity and Action: As a small community with limited resources, we prioritize straightforward, impactful actions over complex projects requiring extensive resources and facing long-term uncertainties.

STATUTORY MANDATE

In terms of the CID By-law and s. 22 of the Municipal Property Rates Act, the Overkloof CID NPC is tasked with considering, developing and implementing improvements and upgrades to the OCID 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, as 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”).

ORGANISATIONAL PROFILE

OCID is defined by the following boundaries:

Eastern Boundary: Erf 9841, 8406, 8346, 7842-RE

Western Boundary: Erf 2407, 6164, 6163, 6162, 6161, 6160, 6159

Northern Boundary: M6 Main Road, Hout Bay

Southern Boundary: Erf 1748-RE, Erf 4703-RE

Erf 4083, 49 Main Road (Longacre Farm) does not form part of OCID

The area outlined in red reflects the geographical area of OCID.



The OCID is intended as a supplementary of services provided by the municipality.

When OCID was set up in 2018, a formal survey was done within the area. From the 67 rateable properties in Overkloof we received 43 completed surveys from 38 households.

The top 6 considerations for improvement were identified at the time as:

5. Continued monitored security cameras at vulnerable entry points.
6. Rapid security and incident vehicle response.
7. A crime database and planning of safety measures.
8. Inspections and reporting of potholes, water leaks and road hazards.

9. Regular patrols.
10. Improved co-ordination with City Service Departments.

In the intervening 5 years, several additional concerns have emerged at various AGMs and community meetings.

- Vulnerability to mountain fires and fire-readiness
- Invasive alien vegetation
- Water pressure that is too high or too low and aging water infrastructure leading to system damage and outages
- Dangerous intersections coming in and out of the neighbourhood from Main Road.
- Noise nuisance and disturbance from allegedly commercial events

Significant improvement has been made on each of the original concerns in the intervening 5 years, and OCID will continue to address these, together with the additional concerns identified.

Organisational Structure

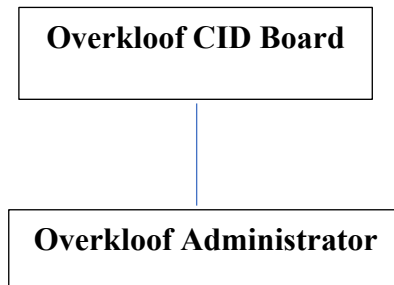
The Overkloof CID is established as a Non-Profit Company (NPC) in terms of the Companies Act 71 of 2008.

It is managed as follows:

- By a Board of Directors who will meet quarterly under an elected chairperson.
- The Board of directors shall comprise a minimum of 3 directors.
- Election of Board Members annually at an Annual General Meeting (AGM).
- One Third of Directors must step down annually but could be re-elected at the AGM.
- Any registered property owner can become a member of the NPC, free of charge, on application to the board.
- Only members of the NPC (or their delegated proxy) are eligible to vote at meetings of the NPC.
- The Board of Directors will be responsible for the implementation of the Business Plan.
- The performance of the Board of Directors in the achievement of its objectives as detailed in the Business Plan will be monitored by the Members.
- The NPC will have a memorandum of incorporation (MOI) as prescribed by the City and as regulated in terms of the Companies Act of 71.
- The books of account will be externally audited and the NPC will appoint, through a competitive process (with quotes etc), a part time bookkeeper to prepare monthly accounts, and similar requirements.
- The progressive income and expenditure reports will be tabled at Board meetings and forwarded to the City monthly.
- Annual Financial Statements need to be, presented at the AGM to the members and consolidated with the City of Cape Town's Annual Financial Statements.

- The NPC is required to obtain approval for Annual Budgets and Implementation Plan of the next financial year at the AGM, before submitting it to the City of Cape Town for inclusion in the City's budget process.

Organisation Organogram



PART B: PERFORMANCE INFORMATION

SITUATIONAL ANALYSIS

Service delivery environment

The OCID has effectively upgraded and maintained the area, securing member support to extend its term for an additional five years. In this term, OCID remains dedicated to enhancing public open spaces within the CID and further strengthening our security network.

Organisational environment

This year, regular activities—including Board meetings, engagement with community organisations, and interactions with the City of Cape Town—continued as scheduled. Our primary focus has been to strengthen collaborative efforts with key partners, including SAPS, Community Crime Prevention (CCP), Hout Bay Neighbourhood Watch, and the Community Policing Forum. Additionally, we have prioritized close cooperation with the Ward Councilor, Subcouncil management, and City officials to further enhance service delivery in our area.

Strategic Objectives

Safety and security remains our top priority with cameras strategically placed throughout the community and co-operation with broader community security groups.

Urban management initiatives aimed to keep Overkloof clean and visually appealing. Public Spaces will be maintained and improved while the maintenance of public areas, and pavements will continue to be a focus.

The OCID will continue to actively support social development programmes to uplift marginalized communities within Hout Bay by continued support of the Ladles of Love initiative.

Complaints Process

All complaints must be reported to OCID via e-mail and will be responded to via email for record keeping purposes.

In some instances, the OCID cannot resolve the problem and needs to liaise with other stakeholders. Should there be extended delays in obtaining feedback from external stakeholders, the complainant will be informed accordingly.

Once the complainant has received a response, and it is to their satisfaction, the matter will be considered closed.

Should the complainant not be satisfied with the response received, and wish to escalate the matter, then they may request that the matter be escalated to the OCID board of Directors.

The relevant portfolio Director will then deal with their complaint and advise on actions, should any be required.

The complainant will receive a written response from the OCID Director who will act on behalf of the OCID board, following the necessary consultation.

Should the complainant not be satisfied with the feedback of the OCID Director, they may request escalation to the next authority.

The director concerned will provide the complainant with proof of such escalation to the next level of authority which will be the relevant Manager of the City of Cape Town's City Improvement Districts. At this point, the City's unit will address the complaints and provide the complainant with the relevant feedback on the action taken.

PERFORMANCE INFORMATION

Public Safety

Safety and security remain our top priority with cameras strategically placed throughout the community and co-operation with broader community security groups.

Coordination with security organisations, including the Hout Bay Community Policing Forum, Hout Bay Neighbourhood Watch, other security providers in the region, City Law Enforcement, SAPS Hout Bay, and additional neighbourhood watch groups across Cape Town, strengthens collaboration between public and private efforts to maintain safety.

PUBLIC SAFETY				
NO.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
1	Develop a Public Safety strategy and management plan	Up to date Public Safety Management and Strategy Plan	Year 1	This is done comprehensively at the beginning of a new term and then modified continuously in conjunction with the SAPS, Local Authority and existing Public Safety service provider using their experience as well as available crime statistics
2	Appoint a Public Safety service provider(s)	Contracted PSIRA registered public safety service provider(s)	Year 1	The Public Safety service provider(s) could include Public Safety Patrols, Control Room services and CCTV Monitoring through a fair, equitable, transparent and competitive process
3	Review and approve the Public Safety strategy and management plan	Approved Public Safety strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide safety services by the appointed service provider and evaluate levels of service provided.
4	Record Public Safety Incidents	Up to date public safety incident records	Ongoing	Indicative records to be included in Annual Report
5	CID participation in joint operations	Participated in joint operations	Adhoc	Participation in joint operations dependent on the public safety needs of the area

6	Deploy Public Safety resources accordingly and effectively on visible patrols. Public Safety personnel and patrol vehicles to be easily identifiable	Effective Public Safety patrols	Ongoing	Utilise the "eyes and ears" of all Public Safety and gardening/street cleaning staff, as well as own staff, to identify any breaches
7	Participate in local safety forums	Attend local safety forums	Quarterly	Participate in existing Neighbourhood Watch, Community Police Forum, other CIDs and SAPS meetings
8	Application to be submitted to secure Law Enforcement Officer	Application submitted to the CCT	Annually	Contact Law Enforcement Department by February of every year. Contract concluded by April of every year
9	Deploy Law Enforcement Officer/s in support of the Public Safety strategy and management plan	Law Enforcement Officers deployed in CID	Ongoing	
10	Plan deployment of CCTV cameras	CCTV Camera deployment included in Public Safety strategy and management plan	Ongoing	
11	Register CCTV Cameras with the CCT	Cameras registered with the CCT	Ongoing	
12	Monitor CCTV Cameras	Monitoring of CCTV Cameras by appropriately qualified service providers.	Ongoing	Service providers to be reappointed or new providers to be appointed in last year of contract period by means of a competitive process. Well Documented.

Maintenance & Cleansing

Ensuring that the CID is clean, tidy and well-maintained by appointing contractors to conduct, supplementary cleaning and maintenance services in the CID. The cleanup takes place at least once a week. The contractors have a team of staff to be able to provide the services to the entire CID area.

Contractors attend to public areas and remove alien vegetation, where possible, within the public open spaces and side verges to ensure these are kept free of litter and overgrowth which may be obscuring traffic visibility and /or sight lines of security cameras, which will then be cut back appropriately.

The Board appointed a service provider, after a competitive process, to include regular clearing and clean up, and said contractor coming in regularly to maintain over hanging trees, cleaning of verges and bushy overgrowth, improving the forested short-cut area.

Contractor's tasks to include:

- Cleaning, Urban Maintenance of CID area - communal areas that include verges and public open spaces to be kept clean, vegetation to be maintained
- Any vegetation that may be blocking the view of security cameras throughout the CID area and above to be cleared / trimmed back
- Emptying of bins on a weekly basis (or more regularly if needed)
- Monitor and advise CID committee of alien clearing requirements, for escalation to the City
- Provide feedback to CID and log on the City C3 portal any infrastructure repair and upgrading needed, such as potholes in roads, burst pipes,
- stormwater drains, curbing and general road maintenance. Retain reference numbers of call logs and include in monthly report to CID committee
- Monthly writing update of activities undertaken, along with supporting pictures
- Ongoing advice on landscape planning and sourcing of indigenous trees and plants from the City nursery (transport and planting of trees will be a
- separate engagement)
- Incorporate Social upliftment as much as possible in projects / maintenance work to help ensure positive Social Responsibility impact

OCID collaborates with the City to address repairs and upgrades for pavements, curbing, and drainage. Issues like burst water pipes, leaking storm drains, potholes, illegal dumping, and signage can be reported via the City's C3 System. If unresolved within set timeframes, they are escalated. This effort is led by the environmental and urban management committee member, in coordination with the City and CID directors, to ensure timely resolutions.

MAINTENANCE AND CLEANSING				
NO.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
1	Develop a maintenance and cleansing strategy and management plan	Up to date maintenance and cleansing strategy and management Plan	Year 1	This is done comprehensively at the beginning of term and then modified continuously in conjunction with the service provider using their experience as well as available statistics
2	Appoint a maintenance and cleansing service provider(s)	Contracted service provider(s)	Year 1	Appoint a maintenance and cleansing service provider(s) through a fair, equitable, transparent and competitive process
3	Review and approve the maintenance and cleansing management plan	Approved maintenance and cleansing strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide maintenance and cleansing services by the appointed service provider and evaluate levels of service provided.
4	Evaluate and review the provision of public litter bins	Sufficient public litter bins	Ongoing	Identify hotspot areas of littering to provide public litter bins and log a CCT service request
5	Cleaning of streets and sidewalks supplementary to those provided by the CCT	Clean streets and sidewalks in partnership with the CCT	Ongoing	Identify hotspot areas of littering to provide additional street cleaning and log a CCT service request
6	Health and safety issues reported to the CCT	Logged CCT service request resolved	Ongoing	Follow up with sub-council in respect of outstanding CCT service requests

7	Combat Illegal dumping	Logged CCT service request resolved	Ongoing	Follow up with relevant department in respect of outstanding CCT service requests
8	Removal of illegal posters	Urban infrastructure free from illegal posters	Ongoing	Monitor the removal of illegal posters by the CCT and where relevant log a CCT service request
9	Removal of graffiti	Urban infrastructure free of graffiti	Ongoing	Monitor the removal of graffiti by the CCT and where relevant log a CCT service request
10	Record maintenance and cleansing activities	Up to date maintenance and cleansing records	Ongoing	Indicative records to be included in Annual Report
11	Identify problems, requiring minor maintenance to CCT infrastructure and perform relevant maintenance on: a. Water and Sanitation infrastructure b. Roads and Stormwater infrastructure c. Road markings d. Grass cutting in Public Open Spaces incl. Parks e. Street furniture	Completed minor maintenance to CCT infrastructure	Ongoing	Engage with relevant department before undertaking maintenance
12	Identify problems, required maintenance or damage to CCT infrastructure and report to relevant department including: a. Street lighting b. Water and Sanitation c. Roads and Stormwater d. Traffic signals and road markings e. Public Open Spaces incl. Parks	Report findings to the relevant CCT department and log CCT service request	Ongoing	Follow up with sub-council in respect of outstanding CCT service requests

Environmental Development

The OCID continues to improve and upgrade both the Chestnut Drive forest area and the plot that links Overkloof to the pipe track. These are considered as “green lungs” and positive features for the area. Communal areas that include verges and public open spaces are kept cleaner, and vegetation is trimmed back to ensure visibility and safety by provision of supplementary services which enhance services provided by the City. Furthermore, the OCID continues to source and arrange delivery of indigenous trees and shrubs from the City Nursery, and ensures that these are kept hydrated until they mature. On an ongoing basis we identify and undertake clearing and environmental management tasks - to improve and maintain verges. Engendering an even further improved sense of community cooperation is encouraged.

ENVIRONMENTAL DEVELOPMENT				
NO.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
1	Develop an environmental development strategy and management plan	Up to date environmental development strategy and management Plan	Year 1	This is done comprehensively at the beginning of term and then modified continuously in conjunction with the service provider using their experience as well as available statistics
2	Appoint an environmental development service provider(s)	Contracted service provider(s)	Year 1	Appoint an environmental development service provider(s) through a fair, equitable, transparent and competitive process. This could be an existing service provider.
3	Review and approve the environmental development management plan	Approved environmental development strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide environmental development services by the appointed or existing service provider and evaluate levels of service provided.
4	Promote waste minimization and management thereof through awareness on waste, water, noise and air pollution	Quarterly awareness campaign through newsletters or website to business and property owners.	Quarterly	Partner with CCT Urban Waste Management Law Enforcement
5	Implement a Recycling programme	Recyclable waste collected	Ongoing	By service provider or cleaning staff.
6	Install public recycling bins	Public recycling bins installed	Ongoing	By service provider or cleaning staff in partnership with the City
7	Implement and maintain landscaping projects	Landscaping projects implemented and maintained	Ongoing	
8	Install and maintain street furniture	Street furniture maintained	Ongoing	
9	Monitor and report illegal signage and posters	Report findings to the relevant CCT department and log CCT service request	Ongoing	
10	Improve green urban environment	Green urban environment	Ongoing	Tree planting, maintaining of tree wells, road verges, replanting and maintaining of flower pots etc.
11	Monitor environmental health of waterways	Report findings to the relevant CCT department and log CCT service request	Ongoing	

Social & Economic Development

Ensuring positive Social Responsibility impact through all activities related to residents, the environment, the Overkloof community, the OCID stakeholders, Service Providers, and all other members of the public sphere who may also be considered as stakeholders is a key goal of the OCID.

The CID works with a local in the area (Ladles of Love) to support the most vulnerable in our broader community. We make regular contributions of food and other items and encourage broader support for these initiatives in our community.

SOCIAL AND ECONOMIC DEVELOPMENT				
NO.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	COMMENTS
1	Develop a social and economic development strategy and management plan	Up to date social and economic development strategy and management Plan	Year 1	This is done comprehensively at the beginning of term and then modified continuously in conjunction with the service provider using their experience as well as available statistics
2	Appoint a social development service provider(s)	Contracted service provider(s)	Year 1	Appoint a social development service provider(s) through a fair, equitable, transparent and competitive process. This could be an existing service provider.
3	Review and approve the social and economic development management plan	Approved social and economic development strategy and management plan	Annual	Clear deliverables and defined performance indicators to guide social and economic development services by the appointed or existing service provider and evaluate levels of service provided.
4	Monitor and review implementation of informal trading plans in support of economic development	Managed informal trading	Ongoing	
5	Promote Social Development awareness	Quarterly awareness campaign through newsletters or website	Quarterly	Partner with CCT Social Development & Early Childhood Development Directorate and social welfare organisations
6	Work in conjunction with local social welfare and job creation organisations and develop the delivery of the supplementary services to improve the urban environment	Job creation through social intervention	Ongoing	Partner with CCT Social Development and social welfare organisations
7	Provide social services	Social service to recipients	Ongoing	

PART C: CORPORATE GOVERNANCE

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.

GOVERNANCE STRUCTURE

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 OCID footprint.

CID Board and Committee Members:

Name	Current CID Portfolio
John O'Callaghan (Chair, Director)	Chairperson, Treasurer, Secretary, Public Safety
Justin Schwellnus (Director)	Environmental / Urban Management
Holger Heye (Director)	Cleaning Management
Marilyn Leadsom (Committee Member)	Environmental / Urban Management, Cleaning Management, Social Upliftment
Meryl Butt (Committee Member)	Community, Social, Communication, Social Upliftment, HBNW representative
Pierr Roodt, Graydon Hewson (Committee Members)	

Board Observer

In terms of the By-law, city councilors 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 Ald. Raelene Arendse as board observer.

Appointment of the board

An Annual General Meeting is held each year to review the CID's performance and reaffirm the members' mandate. The AGM also provides an opportunity to elect new directors to the NPC board. Elected board members oversee various company portfolios, and regular board meetings allow directors to review operations and implement corrective actions as needed.

Overview of the Board's responsibilities

The Board manages the daily execution of additional services in line with the Business Plan. In doing so, it:

Develops strategies to implement the NPC's business plan, ensuring financial stability and considering stakeholder interests. • Monitors compliance with relevant laws, codes, and standards. • Approves the annual budget. • Oversees and approves the preparation of annual financial statements for member adoption. • Exercises effective control over the NPC, monitoring management's adherence to the approved budget and business plan.

Board charter

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

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.

Board Committees

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

Attendance at board and committee meetings

The board meets at least once every quarter. Monthly updates are provided, with the option to call a special board meeting if needed. In the period under review, no special board meetings were convened.

ETHICAL LEADERSHIP

Directors are expected to uphold the highest ethical standards. To support this, the NPC has implemented a code of conduct that defines directors' ethical roles and responsibilities and sets guidelines for legal, management, and ethical standards.

Upon appointment, directors must disclose any private interests that could create a potential conflict of interest, submitting a written declaration to the chairperson. If a potential conflict arises with any board matter, directors must inform the chairperson in writing and recuse themselves from discussions, deliberations, and voting on the matter.

Transparency in personal and business interests ensures that directors can act independently and in the best interests of the NPC.

The board confirms that all directors complied with their duties under the Code during the year under review, with no changes in declarations that would affect their independence.

BOARD OVERSIGHT OF RISK MANAGEMENT

Risk Management Policy

The board is responsible for establishing a robust system of internal controls to protect the company's assets and funds, ensuring they are used to support the company's strategic objectives.

Effectiveness of risk management

Throughout the year, the board upheld its risk mandate by addressing risk governance in matters discussed across the board meetings held during the 2024 financial year. The board is confident that the current systems and processes for risk governance and management are effective and that it has satisfactorily fulfilled its risk management responsibilities.

Key business risks and opportunities

The board identified key issues that could affect the company's financial performance and strategic goals, including: inadequate performance by service providers, negative community perceptions public fund use, and poor response time from CCT in times of urgent service delivery requirement. The board confirms that no undue or unexpected risks arose during the period under review.

ACCOUNTABILITY AND RESPONSIBILITY

Performance Reviews

Annual assessments are undertaken, and the board is so far satisfied overall with performance.

Supplier Code of Conduct

Supplier codes of conduct are reviewed to ensure that they meet the NPCs ethical standards and business practices.

PART D: FINANCIAL INFORMATION

REPORT OF EXTERNAL AUDITOR

Attached audit report issued by the external auditor

ANNUAL FINANCIAL STATEMENTS

Attached the audited financial statements

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

REGISTRATION NUMBER	2018/445811/08
DIRECTORS	H T Heye J F O'Callaghan J P Schwellnus
NATURE OF BUSINESS	Providing Services to the Special Rating Areas of Overkloof
REGISTERED ADDRESS	5 Bridoon Close Hout Bay 7806
AUDITORS	Harry Curtis & Co.
PREPARER	J Oelofse CA (SA)

CONTENTS	<u>Page</u>
Directors Responsibilities and Approval	2
Report of the Independent Auditors	3 - 4
Report of the Directors	5
Statement of Financial Position	6
Statement of Income and Retained Earnings	7
Statement of Cash Flows	8
Accounting Policies	9
Notes to the Annual Financial Statements	10

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

DIRECTORS RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in their 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 year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008. The external auditors are engaged to express an independent opinion on the annual financial statements.

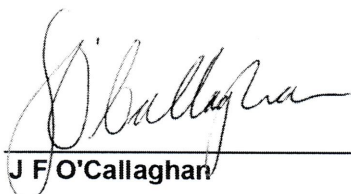
The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008 and are based upon appropriate accounting policies consistently applied and supported by reasonable 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.

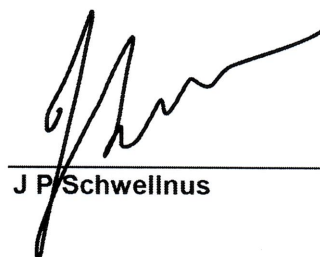
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 and 4.

The financial statements set out on pages 6 to 10, which have been prepared on the going concern basis, were approved by the directors and signed on their behalf by :


J F O'Callaghan

16 August 2024


J P Schwellnus

INDEPENDENT AUDITORS REPORT

To the Members of

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

Opinion

We have audited the financial statements of Overkloof Community Improvement District NPC set out on pages 6 to 10, which comprise the statement of financial position as at 30 June 2024, the statement of income and retained earnings and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Overkloof Community Improvement District NPC as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with the ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the directors report as required by the Companies Act 71 of 2008. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

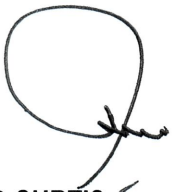
Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ♦ Identify and assess the risks of material misstatement of the financial statements , whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ♦ Conclude on the appropriateness of the directors use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



H D CURTIS
Registered Auditor
(Registration No : 639206)

16 August 2024

**4 Adelaide Road
PLUMSTEAD
7800**

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

REPORT OF THE DIRECTORS

The directors hereby present their report on the annual financial statements for the year ended 30 June 2024.

NATURE OF BUSINESS

Overkloof Community Improvement District NPC is a non-profit company set up in terms of the municipal by-laws of the City of Cape Town (CoCT) which acts as the management body in respect of the Special Rating Area (SRA) determined by the CoCT in terms of section 22 of the Property Rates Act in respect of a defined geographical area. The source of revenue of the company is additional rates billed by the CoCT to the registered property owners of Overkloof which funds are utilised to enhance and supplement services provided by the CoCT. These services include the provision of security for the common/public areas of the SRA, environmental maintenance and removal of alien vegetation, cleaning and tidying public open spaces and other community related services.

FINANCIAL RESULTS

The financial position and operating results of the company for the year ended 30 June 2024 are adequately reflected in the accompanying annual financial statements.

EVENTS SUBSEQUENT TO THE YEAR

No material facts or circumstances having occurred between the accounting date and the date of this report which affect the financial position of the company as reflected in these financial statements.

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 believe the company will receive sufficient funding to meet its foreseeable cash requirements. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

DIRECTORS

The directors of the company at the financial year end, are reflected on page 1.

REGISTERED AND BUSINESS ADDRESS

5 Bridoos Close
Hout Bay
7806

AUDITORS

Harry Curtis & Co were appointed company auditors for the year under review.

PREPARER

The annual financial statements were prepared by J Oelofse CA (SA).

16 August 2024

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
<u>ASSETS</u>			
NON CURRENT ASSETS		-	-
CURRENT ASSETS			
Cash and Cash Equivalents	1	706,700	568,720
		<u>706,700</u>	<u>568,720</u>
<u>RESERVES AND LIABILITIES</u>			
RESERVES			
Retained Income		671,054	539,134
NON CURRENT LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	2	35,646	29,586
		<u>706,700</u>	<u>568,720</u>

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF INCOME AND RETAINED EARNINGS

	<u>Notes</u>	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
REVENUE	3	553,380	543,798
Additional Rates Received		517,197	502,088
Additional Rates Retention Received		36,183	41,710
OTHER INCOME		41,471	30,509
Donations Received		-	1,750
Interest Received		41,471	28,759
EXPENDITURE		462,931	430,514
Accounting Fees		18,500	7,500
Administrative Fees		5,625	-
Advertising and Promotions		6,218	8,067
Audit Fee		15,000	15,000
Bank Charges		1,967	1,810
Community Services		377,523	379,544
CCTV Monitoring		208,992	208,992
Environmental Upgrade		88,270	72,780
Public Safety		47,192	44,564
Rehabilitation of Public Open Spaces		18,440	34,486
Social Upliftment		14,629	18,722
Donation		12,000	-
Insurance		7,022	7,022
Interest Paid		804	-
Meeting Expenses		1,020	3,820
Secretarial Fees		8,700	2,600
Subscriptions		8,552	5,151
NET SURPLUS FOR THE YEAR		131,920	143,793
RETAINED INCOME AT BEGINNING OF YEAR		539,134	395,341
RETAINED INCOME AT END OF YEAR		671,054	539,134

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

STATEMENT OF CASH FLOWS

	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Surplus for the Year	131,920	143,793
Adjustments	(35,379)	(28,759)
Interest Received	(36,183)	(28,759)
Interest Paid	804	-
Working Capital Changes - Trade and Other Payables	6,060	1,306
Cash Generated from Operating Activities	102,601	116,340
Interest Received	36,183	28,759
Interest Paid	(804)	-
	137,980	145,099
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	137,980	145,099
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	568,720	423,621
CASH AND CASH EQUIVALENTS AT END OF YEAR	706,700	568,720

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

ACCOUNTING POLICIES

Presentation of Financial Statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008. The financial statements are prepared on the historical cost basis and incorporate the principal accounting policies set out below. These accounting policies are consistent, in all material respects, with these applied in the previous year.

Recognition of Assets and Liabilities

Assets are recognised if they meet the definition of an asset, it is probable that future economic benefits associated with the asset will flow to the company and the cost or fair value can be measured reliably.

Liabilities are only recognised if they meet the definition of a liability, it is probable that future economic benefits associated with the liability will flow from the company and the cost or fair value can be measured reliably.

Financial Instruments

The company classifies its financial instruments into the following categories : receivables, cash and cash equivalents and payables.

Trade and Other Receivables

Trade and other receivables are stated at cost less an allowance for doubtful debts. The allowance raised is the amount needed to reduce the carrying value to the expected future cash flows.

Cash and Cash Equivalents

Cash comprises cash on hand and deposits at call with banks. Cash equivalents comprise highly liquid investments that are convertible to cash with insignificant risk of changes in value. Cash and cash equivalents are measured at fair value.

Trade and Other Payables

Trade and other payables are measured at fair value.

Revenue Recognition

Revenue comprises additional rates invoiced monthly by the City of Cape Town to all property owners in the special rating area of Overkloof in accordance with the Financial Agreement, whereby the City pays 97% of the annual budget to the company in twelve monthly instalments and retains 3% as a provision for bad debts.

Taxation

The company is exempt from normal taxation on its revenue income in terms of section 10(1)(e)(i)(cc) of the Income Tax Act. Any other receipts and accruals derived by the company are exempt up to R50,000 per annum.

OVERKLOOF COMMUNITY IMPROVEMENT DISTRICT NPC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
1. CASH AND OTHER EQUIVALENTS		
Current Account	70,315	44,806
Money Market Account	636,385	523,914
	<u>706,700</u>	<u>568,720</u>
2. TRADE AND OTHER PAYABLES		
Bay Gardens & Pools	6,670	6,975
C L Sackim - Accounting Fees	1,500	1,500
C Stelling - Administrative Fees	2,500	-
Harry Curtis & Co - Audit Fee	15,000	15,000
J F O'Callaghan	-	560
M Leadsom	748	-
J P Schwellnus	-	534
Signature Consulting (Pty) Ltd - Secretarial Fee	4,125	-
Value Added Tax Payable	5,103	5,017
	<u>35,646</u>	<u>29,586</u>
3. REVENUE		
Additional Rates Received	517,197	502,088
Additional Rates Retention Received	36,183	41,710
	<u>553,380</u>	<u>543,798</u>

The City of Cape Town (CoCT) charges additional rates to property owners in the special rating area of Overkloof which funds are utilised to enhance and supplement services provided by the CoCT. The rates retention refund relates to refunds of bad debt provision retentions by CoCT.

4. TAXATION

The company is exempt from normal taxation on its revenue income in terms of section 10(1)(e)(i)(cc) of the Income Tax Act. Any other receipts and accruals derived by the company are exempt up to R50,000 per annum. The company has no taxable income for the year.