

# 20 23

ANNUAL  
REVIEW



Making places for people



We make sure that our programmes and services are developed and implemented in order to deliver against our mission.

## **Develop Obs**

Develop and sustain a safer, cleaner and smarter public space throughout Observatory;

## **Nurture Obs**

Nurture the unique ambience, charm and diversity of Observatory village as a meeting place of artists, intellectuals, professionals, workers, residents and visitors;

## **Contribute to Obs**

Contribute to a commercially attractive, artistically vibrant, ecologically sustainable and family-friendly environment;

## **Work together**

Foster cooperation between residents, ethical businesses, other stakeholders and the City.

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# Chairpersons Report

**2022/23**

This report is my first as the new Chairperson of the Observatory Improvement District, having taken over from Claire Everatt at last year's AGM. I am not new to OBSID, though, as many reading this will remember, I was the founding Chairperson of OBSID, and have remained on the board (with a two year break in 2016-18) ever since. With my institutional memory currently still intact, it gives me great pleasure to say that I have never before seen OBSID operate so well, use its resources so cleverly to deliver maximum service to our members and the wider Observatory community, and have such a united, happy and productive team on our staff.

## **Our Outgoing CEO - Amanda Kirk**

Credit must be given where it is due, to our outgoing CEO, Amanda Kirk. Amanda's appointment was at a time when OBSID was facing several internal challenges, which eventually led to the departure of the previous CEO after . Amanda set about restructuring OBSID along vastly more professional lines than had ever been the case before:

- HR processes and procedures were put in place and clearly communicated to staff
- The security contract was put out to tender and awarded to Securitas
- The cleaning team was reorganised
- Internal staff roles and responsibilities were analysed and the organisation restructured to ensure every staff member had a clear role and responsibility within OBSID

Changes of this magnitude are difficult for any organisation, and Amanda managed them with consummate skill and commitment. The end result has been the creation of a team that is genuinely happy, with all the metrics showing how well the team operates. Staff always show up for work, even during the difficult times - such as COVID, when our cleaning team never missed a shift despite all the challenges during that time.

I would also like to note how well Amanda has developed our internal staff capacity. When our very capable Public Safety manager, Stoney Steenkamp, left to pursue further career opportunities last year, Amanda was able to promote Leon Nzenza from within OBSID to fulfil the role. Also focusing on our social development needs, Amanda appointed Vuyo Mbala into our social development function. Vuyo is a qualified social worker, who has helped many of the less fortunate in the Observatory community back on their feet again. And finally, the pride with which our urban management team works and cleans Observatory, every day of the week, is clear for everyone to see. Its a true pleasure to watch this team work, a team that knows its work, and does that work with joy and excellence.

Amanda also focused on the strategic needs of Observatory, and with crime rates increasing in recent years, was able to add a third vehicle in 2021. She put together a five-year plan to boost OBSID's public safety services. A fourth patrol vehicle is to be added during this year. At that point, we will have four patrol vehicles in Observatory. The result of this focus has been that crime rates in Observatory have trended slightly downwards in recent years (this statement, of course, may well be debated and challenged, but we are confident of our methodology in collecting crime statistics in Obs, which go well beyond what SAPS provides!)



Amanda has done what every good CEO should do – she has left the organisation in far better shape than she found it, and I speak on behalf of the entire board when I offer my heartfelt thanks for her service to the CID in the last five years, and wish her all the best in her future endeavours!

### **Our new CEO – Matt Tyrell**

It was a significant challenge for the board to find a worthy replacement for Amanda as CEO. When we advertised the position, we received more than 80 applications! After winnowing it down, we interviewed three excellent candidates for the position, each of whom we felt could have stepped into Amanda's role. However, the experience, qualifications and approach of Matt Tyrell meant he was the unanimous choice of the selection committee to take over as CEO. Matt has been in the position for a few months now, and we will work closely with him as a board to ensure we maintain the culture of excellence that Amanda has instilled in the CID, and grow and develop the CID to further the development of the Observatory community, both business and residential, into the future.

### **Our services**

As mentioned above, our key services are Public Safety, Cleaning and Social Development. The vast majority of our budget is spent on these key services, the specifics of which will be detailed in our CEO's report. However, we are always looking out for projects which could add further benefit to the Obs community. We developed an activation plan for the Village Green several years ago which has been informed the Ward Council's plans for the Green in the future, once the current situation on the green has been resolved. We have an ongoing Heritage project where we are looking at ways to memorialise the rich heritage of Observatory. Anyone who has suggestions or ideas that could lead to projects that could benefit the community, please do make contact with us!

### **Our stakeholders**

OBSID exists to serve our members, and by extension every property who pays the Improvement District rate every month. As a board we are acutely aware that we exist because of these rates, and our focus is to ensure that every cent of those rates is well spent. Our CEO's report will demonstrate how that money is spent, so I won't go into this details here.

Our other key stakeholder is the City of Cape Town itself, who created the legislation that enabled the Improvement District model in the first place. We work closely with the CID unit in the City: whenever we hit an issue that needs their input, they're always there and always helpful. We are deeply grateful for their ongoing support.

# A word from the outgoing CEO – Amanda Kirk:

I've had the most wonderful time at OBSID and have learnt so much in the role – from the team it's been my privilege to work with, from the CID Branch at the City of Cape Town, from the Observatory community and from the Board.

CID work is wonderful and has provided me with the chance to hone my skills in programme management, finance management, project management and general operations.

The difficult times managing a never ending range of unrealistic expectations from ratepayers are overshadowed by the great times I've had in the role – and the freedom given to me by the Board to think of ways to deepen our services and explore projects and their support in approving these and allowing the team to bring them to life.

I'm leaving to take up an opportunity to set up and manage a newly established CID on the Atlantic Seaboard but I've just become a property owner in Observatory, so I'll be around and always happy to talk.

I know I leave OBSID in a very strong place, with a strong team who are committed to their work and the community and who will continue to deliver to the standards you've all come to expect.

I wish you well!





# IN SUMMARY

This past year was the first in the new five-year business plan cycle and OBSID has continued to deliver a high level of service across our three core programmes – public safety, cleaning and urban management and social development.

Our largest programme remains public safety, with OBSID engaged daily in proactive measures to prevent crime and respond to support residents when they need it on the expanded deployment levels. The impact of higher stages of loadshedding for extensive periods in the year was unfortunately noted in the increase in the number of crime incidents recorded – many occurring during blackout hours – when compared to last year.

Our social development programme has kept its focus on sustainable partnerships as well as impactful pathways of support through work-based rehabilitation, individualised case management, consistent outreach services and full-time social work services included in our programme offering.

Our cleaning teams are on the streets daily, and in the latter part of the reporting period, we entered into a partnership with Straatwerk Ophelp Projekte to deliver four hours of afternoon cleaning on weekdays along the major thoroughfares of Observatory in addition to our seven-day cleaning programme. In just over three months, this team collected almost 3 tons of refuse from the streets of Observatory.

I want to give thanks to each and every OBSID staff member, the OBSID Board members as well as each member of the Securitas public safety team for their efforts this year.

Special thanks go again to Robert Witbooi and Charl Brooks of Securitas for their efforts in supporting and strengthening the OBSID's public safety programme.









# MANAGEMENT AND OPERATIONS



**We have kept our focus on internal controls and processes, the stabilisation of services and deepening and improving relationships with service providers. We're ever mindful of our obligations to rate payers to deliver value for money as well as our legal and governance obligations.**

## **Finance and Projects:**

We are in good standing financially and with the City. We have once again received a clean audit.

We have continued to keep our operational and staffing costs consistent as a proportion of overall spend to ensure that you are receiving value for money.

## **Relationship With City Of Cape Town:**

Our relationship with the City of Cape Town is essentially two-fold. The CID office regulates our activities and ensures that we fulfil essential governance and reporting requirements. We maintain a good relationship with this office and are thus in good standing.

However, in terms of service coordination of city services, we have a limited engagement or influence. Strengthening these relationships is necessary for the successful functioning of OBSID

## **Board Of Directors:**

The Board of Directors is stable and well-functioning. Five new members were voted onto the Board at the 2022 AGM, Makgosi Letimile, Roseline Nyman and Fairuz Mullagee subsequently resigned and the Board co-opted an additional Board member (Imile de Villiers) during this reporting period.

All Board governance processes are in place, including POPIA declarations from all Board members. Board Observer Agreements governing the role of political observers are also in place. The Board currently comprises 7 members and meets at least 6 times a year.

## **Corporate Governance:**

We are compliant with all SARS, CIPC and City of Cape Town requirements

## **Human Resource:**

HR systems are stable and functioning well. Staff attendance is very satisfactory, with little to no unplanned absenteeism. Staff management processes – including half and full year performance reviews as well as performance counselling and misconduct management processes – are in place and effective.

During the reporting period, there were three staff exits – Stoney Steenkamp (Area Manager) resigned in September 2022, Paul Drummond (urban management) resigned in August 2022 and Mickael Rabbaney resigned in July 2022.

Thembele Radas and Michael Manamela (urban management) joined the team in August 2022 and September 2022 respectively and Dean Harris took up the role of Urban Management Supervisor in November 2022. Leon Nzenza became an OBSID employee in October 2022, taking up the role of Operations Coordinator.

We have a happy team!

### **Finance Systems**

We continue to enjoy solid working relationships with both our accounting service provider, Accounts Star c.c. and our auditors – Cecil Kilpin and Co.

We received an unqualified audit report for the 2022/2023 year.

Internal financial management processes and controls are in place and effective.

### **Communications**

We continued to activate our communications strategy in the reporting year, through our website, social media platforms and member web letters.

Our website is up to date and compliant with City CID management unit requirements in terms of the information that is accessible on the site. The OBSID site is POPIA compliant.

We continue to see growth in our social media audience, due to regular and informative posts and updates covering all aspects of our work.

We also engage with the community via multiple WhatsApp groups as well as Observatory focussed social media pages.

Infographics have continued to prove very useful in giving the community insight to our work, and our animated infographics always generate a positive response from the community.

# OBSID April 2023 Activity Report



## Public Safety


We tracked and recorded crime incidents.

 **50**  
Incidents Reported

 **35**  
Theft Incidents

-----> **70%**  
of crime incidents reported, were theft related

 **9** Arrests by SAPS


 **329** Proactive actions recorded by the public safety team (e.g. open gates, visible valuables, and unlocked cars)



## Urban Management

We worked to improve the district.

 **3839** Bags of refuse were collected from streets and public spaces

 **127** City infrastructure faults reported to City of Cape Town



 **18** Illegal dumping sites attended to

 **35** Illegal dumping sites reported to City of Cape Town

 **26** Graffiti sites attended to




## Social Development

Supporting those in need.


 **11** Clients Seen

 **37** Services Offered

 **1** Clients attending peer training on harm reduction with TBHIV Care

 **1** assisted with chronic medication and a mental health assessment

 **5** Clients registered on work rehab programme

 **783** Refuse bags filled by the work based rehab team

#ILOVEOBS

CITY OF CT EMERGENCY: DIAL 107 FROM LANDLINE / 021 4807700 FROM MOBILE  
POLICE: 10111 OBSID 24 HOUR CONTROL ROOM: 021 4471066 [OBSID.ORG.ZA](http://OBSID.ORG.ZA)







OBSERVATION  
IMPROVEMENT DISTRICT

OBSID



# CLEANING AND URBAN MANAGEMENT



## Keeping Observatory Clean

This year, we collected **51 019** bags of refuse from the public spaces of Observatory! This includes emptying of bins in public spaces and basic maintenance of the parks in Observatory – these responsibilities have devolved from the City to OBSID over time.

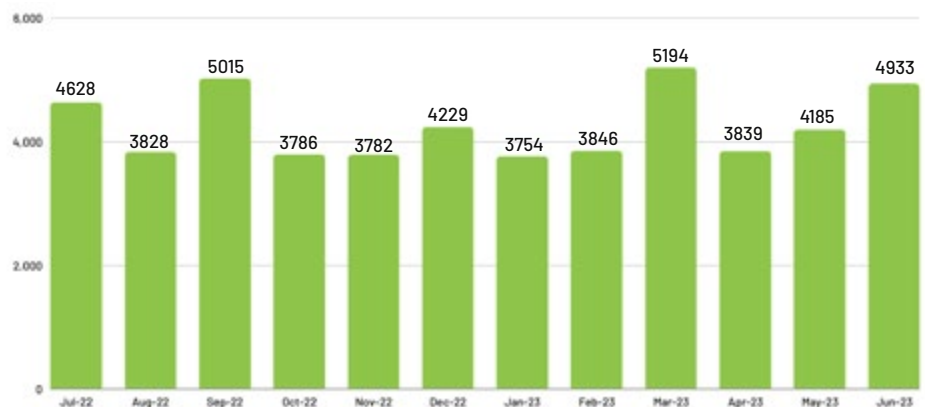
Late in the year, we entered into a partnership with Maxibin to install cigarette butt bins outside call centres, shops and restaurants in Observatory. Cigarette butts are a significant environmental issue and we hope to do our part in managing the negative impacts of people’s smoking habits.

The OBSID urban management team works seven days a week, tackling hotspots, collecting dumping, completing dumpsite runs and picking up litter. In addition, they do weeding, deep cleaning and drain cleaning across Observatory.

We added an afternoon cleaning service which has shown excellent results.



The below graph reflects the total number of bags per month that have been collected per month in this financial year:

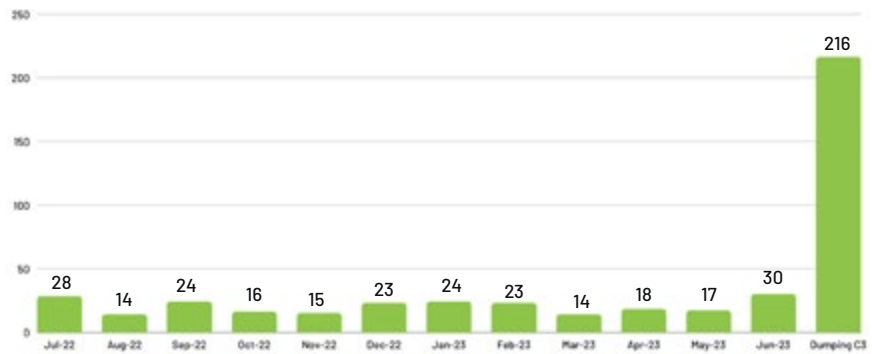




Our team works in their individually designated sectors from Mondays to Fridays, with a smaller team concentrated on bins in public spaces, the business precinct and pedestrian routes over weekends. We complete twice daily bag collections and thrice weekly dump runs.

Dumping remains a challenge – with 462 incidents reported this year.

The below graph reflects the total number of illegal dumping incidents attended to per month in this reporting period:

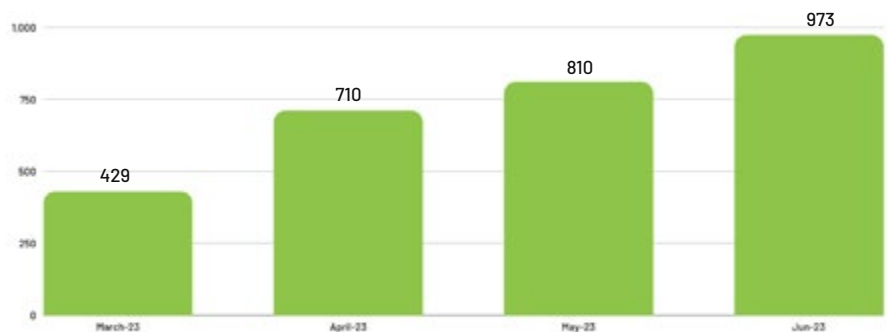


Our work-based rehabilitation team continued to provide 5.5 hours of daily cleaning in the public spaces from Mondays to Fridays, always starting on the Village Green, then moving along and under the Station Road Bridge, then deployed into sectors as needed.

### Partnerships In Urban Management:

Our outsourced arrangements with Straatwerk – focussed on graffiti removal and afternoon litter pick-ups – and Green4Life Gardeners – focussed on the green spaces of Observatory – both delivered exceptional results and both contracts have been continued in the new financial year. We are confident that their standards and response times will remain at the levels we expect.

The graph below illustrates the impact of our afternoon cleaning service:

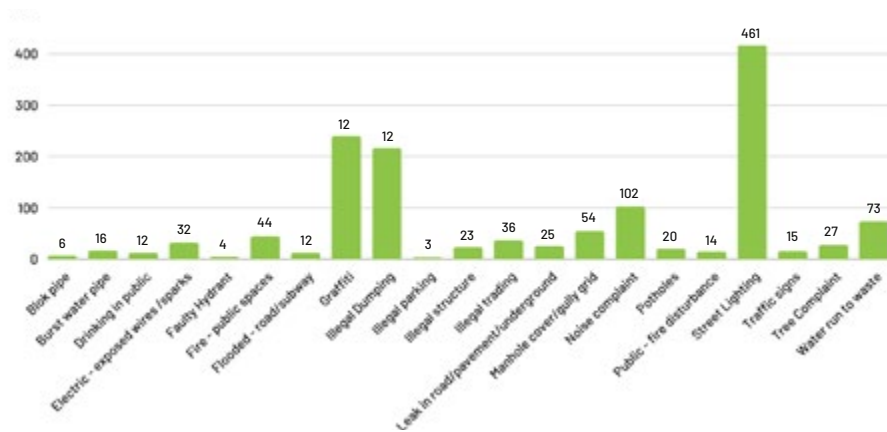


### City Infrastructure In Observatory:

City infrastructure faults resulted in 1434 C3s (service request) being logged with the City during this reporting period.

We enjoy good service levels from the City as regards C3s that could hamper safety – for example potholes and other road surface damage and street lighting, with issues being resolved within a few days. On average, most C3 reports are attended to within one month.

The graph below indicates the range and types of issues reported to the City during this period:



Reporting on street lighting does not include outages due to loadshedding – these reports relate to faulty streetlights throughout Observatory









# SOCIAL ISSUES:



At year end, we recorded

**43** active clients of the social development programme.

The challenge of dealing with people living in public spaces is never ending and increasing. Observatory has a generous community, many of whom are keen to give handouts.

Our social development programme is strong. We have a sound programme framework that includes outreach, individual case management, linkage services and access to work-based rehabilitation and supportive housing, the latter offered by OBSID to clients of our work-based rehabilitation programme from July 2022 to February 2023.

We continue to see significant impact through our linkage work – attending hospital and clinic visits with clients, thereby ensuring that they are able to access healthcare and other services. We've seen more and more of those living on the streets of Observatory receiving medical treatment, resuming chronic medication use and being assessed for participation in Opioid Substitution Therapy (OST) through TB HIV Care.

The implementation of the social development module of Incident Desk has significantly improved programme reporting and client record keeping.

Our work-based rehabilitation programme offers daily structure, group sessions, a participation stipend and the chance to belong to something and practice life and work skills. Clients of the work-based rehabilitation programme are drawn from the chronic homeless population of Observatory (having been on the streets for longer than 10 years).

We're very proud of our work-based rehabilitation team. The programme has been running for 3 ½ years and has had real impact on the lives of most of the participants. All five still active on the programme at the end of the reporting period, have moved and stayed off the streets in their time with the OBSID programme, sadly one subsequently returned to the street.

We continued to participate in a Public Employment Programme via a Memorandum of Agreement with Khulisa Streetscapes to access Treasury funding for costs associated with the work-based rehabilitation programme. We accessed funding for 9 months of the reporting period.

Our work-based rehabilitation programme came to an end at the end of June 2023. Two clients were accepted at Khulisa Streetscapes to continue their development journey, one is in receipt of a SASSA disability grant, one is in receipt of a SASSA pension and one is actively seeking mainstream employment whilst residing in a place of safety.





## SOCIAL DEVELOPMENT BY THE NUMBERS:

**706** different services were offered including:

**28** medical appointments accessed

**144** counselling sessions held

**13** clients referred to other organisations to access assistance

**10** clients assisted into shelter or back with their families

**2** clients assisted to successfully apply for SASSA grants (old ag, disability)



The impact of the work of our social development team is varied and we're so proud of the good relationship between public safety and social development when it comes to identifying vulnerable persons. Some success stories include:

- Public safety officers brought an individual to the office who had come from De Doorns in search of family. Our social worker placed him at a shelter, then tracked down his family back home through the local SAPS station. OBSID paid for a bus ticket for him to get back home.
- A participant in our work-based rehabilitation programme successfully reunited with her family in December 2021 and remains living at home. OBSID assists her by covering half her travel costs monthly.
- Our social worker found a client who had been sleeping in her car for five months after losing her job and her accommodation. OBSID helped her get placed at a shelter, where she was assisted in finding work and securing her own accommodation.
- Public safety officers located an elderly person who was very disoriented. Our social worker was called for assistance and managed to work with SAPS to find out that the person was listed on the Pink Ladies Missing Persons database. She was reunited with her family.

#### **The Dignity Project:**

OBSID continued managing and servicing toilets in the public spaces to tackle the issue of human waste. The units, serviced by Sanitech, and maintained by the OBSID cleaning team, have led to a significant reduction in human waste in the centre of Observatory.





  
**OBSERVATORY**  
IMPROVEMENT DISTRICT



# PUBLIC SAFETY:

We have a very well-organized, extensive public safety service in Observatory in partnership with our public safety contractor, Securitas.

Our public safety service includes 24/7/265 foot and vehicle patrols backed up by a control room and licence plate recognition (LPR) systems.

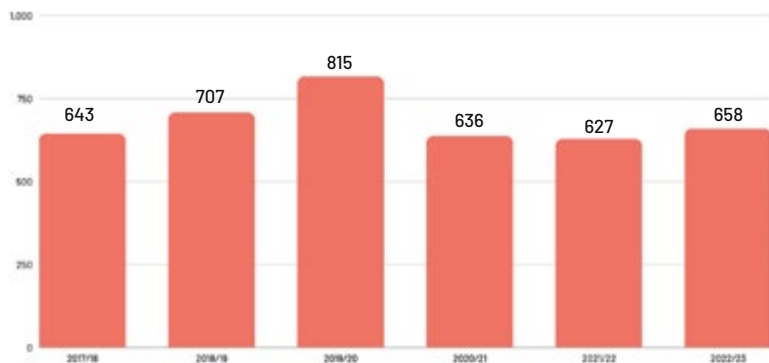
We're constantly adjusting our deployments to respond to crime trends and can see the impact of the efforts of our community safety team in keeping the community of Observatory safe.



## Keeping Observatory safe:

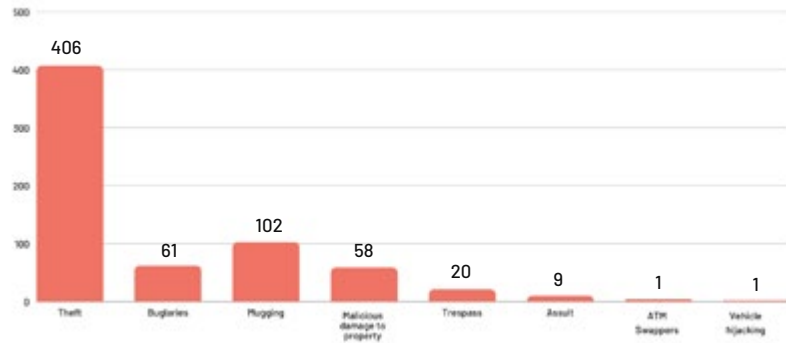
We recorded 658 incidents during the year, a slight increase from 2021/22.

The below graph reflects the annual reported incidents for the past 6 reporting cycles:



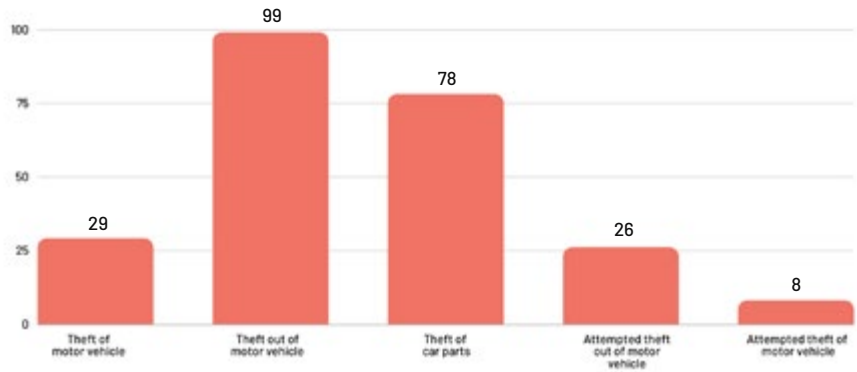


The below graph indicates the type and number of incidents reported this year:



It's alarming to note that we recorded **2 882** Pro-active actions in this reporting period.

This reporting cycle saw vehicle related incidents remain prominent, accounting for 37% of the reported incidents, broken down as follows:



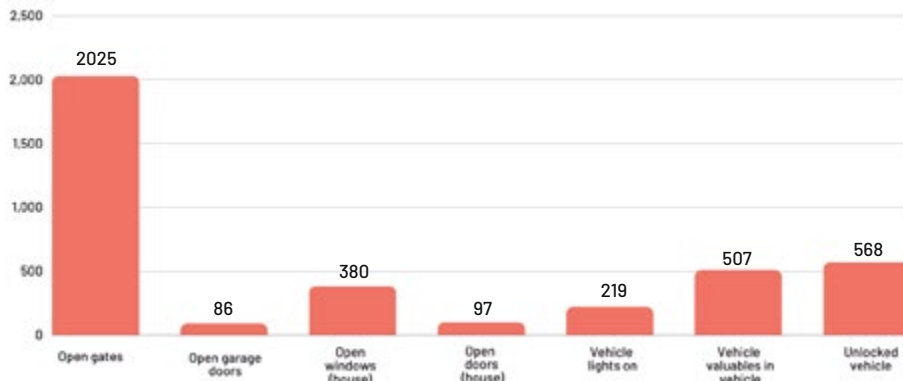


The trend of opportunistic crime in Observatory continued throughout the year.

Even though crime and the perceived increase in incidents were often the topic of discussion on various social media platforms, the community have failed to act responsibly towards their property and possessions. A considerable amount of time was spent by our deployed personnel informing owners or residents of unlocked vehicles, open doors, and open garages or premises gates. We believe that our proactive actions assisted in reducing the amount of incidents reported for the year.

We noted 2 882 pro-active actions in this reporting period.

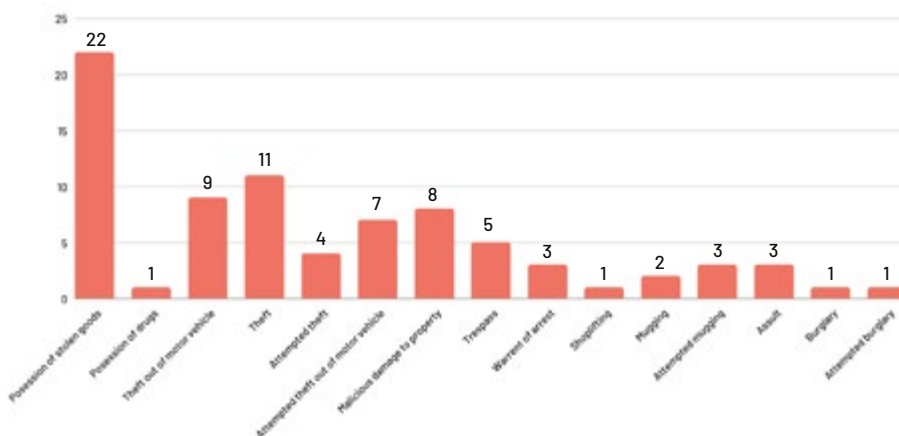
The graph below shows the different types of proactive actions taken by our public safety team:



### Arrests:

The public safety officers assisted SAPS in making 81 arrests during this period. Unfortunately, in 15 cases the complainants did not want to open a criminal case and the suspects had to be released.

The graph indicates the categories of offences that suspects were detained for:



### Community involvement:

Although we are patrolling the streets 24/7 we could be more effective if the community was more involved in reporting suspicious activity. The public safety officers cannot be everywhere all the time and if we can join forces with the community our resources can be more affectively utilised.

Sadly, the Obs Neighbourhood Watch which was reformed in late 2021 seems to have become inactive again except for monitoring WhatsApp groups for crime incidents and encouraging people to report to OBSID.

### **The challenges:**

2022 has seen the establishment of this sub-forum. The sub-forum's role is to serve as the link between the community and our local SAPS station. OBSID has membership of the sub-forum and hopes to be able to positively influence its work using the excellent relationship we enjoy with Woodstock SAPS as a base for sub-forum engagements

The public safety team have faced many challenges during this period and these challenges are not likely to decrease soon.

Even though the number of cases reported to SAPS has shown a slight increase, Observatory remains vulnerable to criminal elements as SAPS's statistics still aren't a true reflection of what is occurring in our area.

The OBSID public safety officers do not have enforcement powers and are dependent on the different law enforcement departments to deal with the more serious complaints. Whilst the City of Cape Town is moving along with processes intended to reclaim public spaces, progress is slow and law enforcement presence is limited, leaving our officers to deal with issues related to the street based community largely on their

### **Securitas contract management – monthly assessments and related:**

We continue to enjoy an excellent working relationship with Securitas. Weekly site meetings are held to review crime statistics, discuss deployments and address any areas of concern. Two different monthly assessments are completed each month and areas of focus arising from these assessments are actioned immediately.

### **OBSID and the SAPS:**

Our relationship with SAPS remains a very positive one with good channels of communication to the Station Commander.



# PUBLIC SPACES PROJECT:



We delivered on one project during this reporting period and scoped two others:

**Greening** -- after a successful launch of our strategic green infrastructure strategy in 2021 and activations in 2022, we scoped a project for 2023 which was delivered in August 2023. We supported the volunteers who take care of the Arnold Street Dog Park with tree trimming and cleaning.



**Traffic impact assessment** - we aim to be part of efforts to “calm” traffic on Lower Main Road, so scoped this project and identified a service provider - Innovative Traffic Solutions - to deliver the initial report. The preliminary report is expected during September 2023.

**Temporary closure of Lower Main Road** - - we tried our hardest to convince the City to allow us to activate “soft” closures of sections of Lower Main Road without the need for event permits. Sadly, the City does not have a mechanism to facilitate this. We went back to the drawing board and came up with the idea of installing a parklet in loading bays on Lower Main Road - both to support local business and to make the road slightly more “friendly”. We’ll be launching this soon.











# THANKS AND ACKNOWLEDGEMENTS:

A sincere word of thanks to the OBSID staff – Leon Nzenza, Nicholas Jansen, Master Banda, Hugh Chimwa, Bonisile (Oscar) Mrwashu, Michael Manamela, Raymond Duarte, Sindile Mati, Thembela Radasi, Portia Mnkwa, Amanda Mjo and Vuyo Mbala.

Your efforts this year continue to be noteworthy and very much appreciated.

The OBSID cannot function without the ongoing support of many other entities and structures. To this end, we wish to express our sincere thanks to the following:

- Eddie Scott, Joepie Joubert, Bonita Ascot, Alma Stoffels and Nonhlanhla Ngubane at the City CID Unit;
- SAPS – Colonel Matroos – Station Commander, Warrant Officer Muller – Designated Liquor Officer; Warrant Officer Smith – Crime Intelligence Officer and Constable Rhooode – Sector Commander
- Councillor Yusuf Mohamed and Carolyn Dudgeon (Ward 57)

In addition, we would like to express our thanks and gratitude to the following:

- Julia September (U-Turn's Living Roots Programme)
- Susan Smith and the volunteers of the LPR user group
- Susan Smith and the volunteers of the LPR user group;
- TBHIV Care;
- Our service providers and suppliers – Catalyst Communications, CBA, Connect 1-2-3, Dr Wash Laundry, Gravit8, Green 4 Life Gardeners, Hawkes and Findlay, JJ Chembros, Narcom, Omnivision, Mason Office Supplies, Maxibin, Niche Co., Observatory Petrol Station, Prime Cleaning Services, Sanitech, Securitas, Seacom, Solution House Software, Straatwerk OPHELP Projekte, Surefire Communications, Uniforms Unlimited and Utility Cloud Cloud Consulting.

Special thanks to:

- Charl Brooks, Robert Witbooi and the deployed team at OBSID – Securitas;
- Cecil Kilpin Auditors;
- Ursula Genthe, Accounts Star c.c. – accounting services.





# **Additional Surplus Utilisation 2022-23**

Line Item in PIE Report	Surplus Utilisation approved at the 2022 AGM	Surplus Utilisation approved by the Board during the financial year	Total Surplus Utilised in 2022/23
<b>REVENUE</b>			
Accumulated Surplus	-	R72 736	R72 736
<b>EXPENDITURE</b>			
<b>Projects</b>			
LMR closures: feasibility, traffic impact study	-	R49 211	R49 211
Inverter batteries	-	R23 525	R23 525
<b>TOTAL SURPLUS FUNDS UTILISED IN 2022/23</b>	<b>-</b>	<b>R72,736</b>	<b>R72,736</b>





# **Audited Financial Statements 2022-23**

**OBSERVATORY IMPROVEMENT DISTRICT NPC**  
**(Registration number 2008/020680/08)**  
**Annual Financial Statements**  
**for the year ended 30 June 2023**

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	Improve and promote the improvement area by providing and procuring the provision of services to and in the improvement area
<b>Directors</b>	ES Angless JJ Ashley K Cousins J Van Der Vlugt DA Barraclough SB Driver-Jowitt IJ De Villiers RM Nyman F Mullagee
<b>Business address</b>	13A St Michael's Road Observatory Cape Town 7925
<b>Postal address</b>	13A St Michael's Road Observatory Cape Town 7925
<b>Auditors</b>	Cecil Kilpin & Co. Chartered Accountants (SA) Registered Auditor
<b>Company registration number</b>	2008/020680/08
<b>Tax reference number</b>	9024/005/19/2



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

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## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Directors' Responsibilities and Approval

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The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

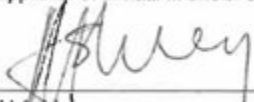
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The directors have reviewed the company's cash flow forecast for the year to 30 June 2024 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 7.

The annual financial statements set out on pages 8 to 20, which have been prepared on the going concern basis, were approved by the directors and were signed on its behalf by:

#### Approval of annual financial statements

  
\_\_\_\_\_  
JJ Ashley

  
\_\_\_\_\_  
K Cousins

  
\_\_\_\_\_  
SB Driver-Jowitt

Cape Town

Date: 12/09/2023

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of Observatory Improvement District NPC for the year ended 30 June 2023.

#### 1. Nature of business

Observatory Improvement District NPC was incorporated in South Africa with interests in the Non-profit industry. The company operates in South Africa.

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

#### 2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

#### 3. Directors

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

Directors	Changes
ES Angless	
JJ Ashley	
K Cousins	
J Van Der Vlugt	Appointed 28 November 2022
DA Barraclough	Appointed 28 November 2022
SB Driver-jowitt	Appointed 28 November 2022
IJ De Villiers	Appointed 09 March 2023
N Moodley	Resigned 28 November 2022
CA Everatt	Resigned 28 November 2022
JN Cronje	Resigned 28 November 2022
LL Boisnier	Appointed 08 July 2022, resigned 28 November 2022
MB Morgan	Resigned 08 July 2022
M Letimile	Resigned 23 January 2023
RM Nyman	Appointed 28 November 2022
F Mullagee	Appointed 28 November 2022

#### 4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

#### 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.



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Directors' Report

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#### 6. Auditors

Cecil Kilpin & Co. continued in office as auditors for the company for 2023.

At the AGM, the members will be requested to reappoint Cecil Kilpin & Co. as the independent external auditors of the company and to confirm Mr Sidney Schonegevel as the designated lead audit partner for the 2024 financial year.

#### 7. Secretary

The company secretary is U Genthe.

##### Postal address

13A St Michael's Road  
Observatory  
Cape Town  
7925

##### Business address

13A St Michael's Road  
Observatory  
Cape Town  
7925

## Independent Auditor's Report

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### To the Members of Observatory Improvement District NPC

#### Opinion

We have audited the annual financial statements of Observatory Improvement District NPC (the company) set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2023, 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 Observatory Improvement District NPC as at 30 June 2023, 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 "Observatory Improvement District NPC annual financial statements for the year ended 30 June 2023", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 19 to 20. 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.



Cecil Kilpin & Co.  
Chartered Accountants (SA)  
Registered Auditor  
Per Partner: Sidney Schonegevel

Century City  
Date: 12/09/2023

PARTNERS: N NYBACK CA (SA), RA | M BRANDERS CA (SA), RA | S SCHONEGEVEL CA (SA), RA | M SPENCER CA (SA), RA | D COX CA (SA), RA  
TAX: E CONRADIE B.COMPT (HONS), PG.DIP (TAX) | CONSULTANT: A MINNE  
1 Waterford Mews, Century Boulevard, Century City, 7441 PO Box 74, Century City, 7446 Docex 21, Century City  
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## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Statement of Financial Position as at 30 June 2023

	Note(s)	2023 R	2022 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	69,950	76,538
<b>Current Assets</b>			
Trade and other receivables	3	65,202	443,812
Cash and cash equivalents	4	3,353,112	1,596,103
		<b>3,418,314</b>	<b>2,039,915</b>
<b>Total Assets</b>		<b>3,488,264</b>	<b>2,116,453</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		3,217,507	1,907,066
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	270,757	203,910
Current tax payable		-	5,477
		<b>270,757</b>	<b>209,387</b>
<b>Total Equity and Liabilities</b>		<b>3,488,264</b>	<b>2,116,453</b>

**Observatory Improvement District NPC**  
 (Registration number: 2008/020680/08)  
 Annual Financial Statements for the year ended 30 June 2023

**Statement of Comprehensive Income**

	Note(s)	2023 R	2022 R
Revenue	6	9,817,788	8,078,253
Other income	7	236,063	13,860
Operating (deficit) surplus	8	(8,898,982)	(8,326,260)
<b>Operating surplus (deficit)</b>		<b>1,154,869</b>	<b>(234,147)</b>
Investment revenue	9	150,095	67,634
<b>Surplus (deficit) before taxation</b>		<b>1,304,964</b>	<b>(166,513)</b>
Taxation	10	5,477	6,416
<b>Surplus (deficit) for the year</b>		<b>1,310,441</b>	<b>(160,097)</b>
Other comprehensive income		-	-
<b>Total comprehensive income (loss) for the year</b>		<b>1,310,441</b>	<b>(160,097)</b>

**Observatory Improvement District NPC**  
 (Registration number: 2008/020680/08)  
 Annual Financial Statements for the year ended 30 June 2023

**Statement of Changes in Equity**

	Retained income R	Total equity R
<b>Balance at 01 July 2021</b>	<b>2,067,163</b>	<b>2,067,163</b>
Deficit for the year	(160,097)	(160,097)
Other comprehensive income	-	-
<b>Total comprehensive deficit for the year</b>	<b>(160,097)</b>	<b>(160,097)</b>
<b>Balance at 01 July 2022</b>	<b>1,907,066</b>	<b>1,907,066</b>
Surplus for the year	1,310,441	1,310,441
Other comprehensive income	-	-
<b>Total comprehensive surplus for the year</b>	<b>1,310,441</b>	<b>1,310,441</b>
<b>Balance at 30 June 2023</b>	<b>3,217,507</b>	<b>3,217,507</b>



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Statement of Cash Flows

	Note(s)	2023 R	2022 R
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	11	1,639,435	(755,661)
Interest income		150,095	67,634
<b>Net cash from operating activities</b>		<b>1,789,530</b>	<b>(688,027)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(32,521)	-
<b>Total cash movement for the year</b>		<b>1,757,009</b>	<b>(688,027)</b>
Cash at the beginning of the year		1,596,103	2,284,130
<b>Total cash at end of the year</b>	4	<b>3,353,112</b>	<b>1,596,103</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Accounting Policies

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#### 1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS for SME's requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

##### Key sources of estimation uncertainty

#### 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 profit or loss 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
Security Equipment	Straight line	3 years
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	4 years
IT equipment	Straight line	3 years
Other fixed assets	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 profit or loss to bring the carrying amount in line with the recoverable amount.

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Accounting Policies

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#### 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 profit or loss 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 profit or loss) 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 deficit.

##### Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

##### Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

#### 1.4 Tax

##### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

##### Tax expenses

The non-profit company is taxed in terms of section 10(1)(d)(iii) of Income Tax Act.

#### 1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Accounting Policies

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#### 1.5 Leases (continued)

##### Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

#### 1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model 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 profit or loss.

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

#### 1.7 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

#### 1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Notes to the Annual Financial Statements

	2023 R	2022 R
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#### 2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	77,260	(58,964)	18,296	73,335	(50,662)	22,673
Motor vehicles	231,268	(213,268)	18,000	231,268	(198,909)	32,359
Office equipment	21,819	(21,809)	10	21,819	(21,809)	10
IT equipment	111,388	(77,747)	33,641	82,791	(64,115)	18,676
Security Equipment	177,256	(177,253)	3	177,256	(174,436)	2,820
Other fixed assets	5,140	(5,140)	-	5,140	(5,140)	-
<b>Total</b>	<b>624,131</b>	<b>(554,181)</b>	<b>69,950</b>	<b>591,609</b>	<b>(515,071)</b>	<b>76,538</b>

#### Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	22,673	3,925	(8,302)	18,296
Motor vehicles	32,359	-	(14,359)	18,000
Office equipment	10	-	-	10
IT equipment	18,676	28,596	(13,631)	33,641
Security equipment	2,820	-	(2,817)	3
	<b>76,538</b>	<b>32,521</b>	<b>(39,109)</b>	<b>69,950</b>

#### Reconciliation of property, plant and equipment - 2022

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	30,226	(7,553)	22,673
Motor vehicles	47,278	(14,919)	32,359
Office equipment	10	-	10
IT equipment	28,915	(10,239)	18,676
Security Equipment	20,417	(17,597)	2,820
	<b>126,846</b>	<b>(50,308)</b>	<b>76,538</b>

#### 3. Trade and other receivables

Deposits	58,902	58,902
Other receivables	5,350	-
Prepayments	950	384,910
	<b>65,202</b>	<b>443,812</b>

## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Notes to the Annual Financial Statements

	2023 R	2022 R
<b>4. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	1,868	965
Bank balances	3,351,244	552,574
Fixed deposits	-	1,042,564
	<b>3,353,112</b>	<b>1,596,103</b>
<b>5. Trade and other payables</b>		
Trade payables	63,376	4,093
Rent Control Re-Homing	-	5,050
Deposits - keys	34,366	29,916
Accrued Expenses	139,650	136,464
Sundry creditors	1,311	615
Other payables	32,054	27,772
	<b>270,757</b>	<b>203,910</b>
<b>6. Revenue</b>		
Revenue - Additional Rates Received	8,609,322	7,268,309
Revenue - Additional Rates Retention Received	1,208,466	809,944
	<b>9,817,788</b>	<b>8,078,253</b>
<b>7. Other income</b>		
Other income	236,063	2,164
Proceeds from insurance claim	-	11,696
	<b>236,063</b>	<b>13,860</b>
As at 30 June 2023 the retention held by City of Cape Town amounted to R266,268.		
<b>8. Operating (deficit) surplus</b>		
Operating (deficit) surplus include the following expenses:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	335,044	335,044
Equipment		
• Contractual amounts	17,853	14,521
	<b>352,897</b>	<b>349,565</b>
Depreciation and amortisation	39,109	50,308
Employee costs	2,103,934	2,037,250
<b>9. Investment revenue</b>		
<b>Interest revenue</b>		
Interest Received	150,095	67,634



## Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2023

### Notes to the Annual Financial Statements

	2023 R	2022 R
<b>10. Taxation</b>		
<b>Major components of the tax income</b>		
<b>Current taxation</b>		
South African normal tax - year	-	5,477
South African normal tax - prior period (over) under provision	(5,477)	(11,893)
	<u>(5,477)</u>	<u>(6,416)</u>
<p>The non-profit company is subject to tax at in terms of section 10(1)(d)(iii) of Income Tax Act.</p>		
<b>11. Cash generated from (used in) operations</b>		
Profit (loss) before taxation	1,304,964	(166,513)
<b>Adjustments for:</b>		
Depreciation and amortisation	39,109	50,308
Interest received	(150,095)	(67,634)
<b>Changes in working capital:</b>		
Trade and other receivables	378,610	(323,561)
Trade and other payables	66,847	(248,261)
	<u>1,639,435</u>	<u>(755,661)</u>
<b>12. Auditor's remuneration</b>		
Fees	<u>20,500</u>	<u>19,000</u>
<b>13. Commitments</b>		
<b>Operating leases – as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	380,678	335,044
- in second to fifth year inclusive	456,116	763,264
	<u>836,794</u>	<u>1,098,308</u>

Operating lease payments represent rentals payable by the company for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

## Observatory Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2023

### Notes to the Annual Financial Statements

	2023 R	2022 R
<b>14. Directors' and prescribed officer's remuneration</b>		
<b>Executive</b>		
<b>2023</b>		
<b>Prescribed officers</b>	<b>Emoluments</b>	<b>Total</b>
<b>Chief Executive Officer</b>		
Mrs AJ Kirk	643,950	643,950
<b>2022</b>		
<b>Prescribed officers</b>	<b>Emoluments</b>	<b>Total</b>
<b>Chief Executive Officer</b>		
Mrs AJ Kirk	452,168	452,168

#### 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.

**Observatory Improvement District NPC**  
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 Annual Financial Statements for the year ended 30 June 2023

**Detailed Income Statement**

	Note(s)	2023 R	2022 R
<b>Revenue</b>			
Revenue - Additional Rate Received		8,609,322	7,268,309
Revenue - Additional Rates Retention Received		1,208,466	809,944
	6	<u>9,817,788</u>	<u>8,078,253</u>
<b>Other income</b>			
Insurance claim proceeds		-	11,696
Sundry Income		236,063	2,164
		<u>236,063</u>	<u>13,860</u>
<b>Expenses (Refer to page 20)</b>			
		<u>(8,898,982)</u>	<u>(8,326,260)</u>
<b>Operating Deficit</b>		1,154,869	(234,147)
Investment income	9	150,095	67,634
<b>Deficit before taxation</b>		1,304,964	(166,513)
Taxation	10	5,477	6,416
<b>Surplus for the year</b>		<u>1,310,441</u>	<u>(160,097)</u>



## Observatory Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2023

### Detailed Income Statement

	Note(s)	2023 R	2022 R
<b>Operating expenses</b>			
AGM Expenses		22,597	9,211
Accounting fees		69,800	64,600
Auditors remuneration	12	20,500	19,000
Bank charges		12,508	12,977
Cleaning		201,868	112,412
Communications		82,418	87,520
Compensation for occupational injuries and diseases		72,582	53,326
Computer expenses		31,867	24,046
Consulting		-	1,662
Covid-19 expenses		-	34,145
Depreciation, amortisation and impairments		39,109	50,308
Employee costs		2,103,934	2,037,250
Employee costs - Paye and UIF		311,576	323,429
Environmental upgrading		171,934	123,624
Fines and penalties		-	5,183
Insurance		24,515	22,816
Lease rentals on operating lease		352,897	349,565
Motor vehicle expenses		36,200	35,166
Printing and stationery		16,922	19,524
Projects - Event support		-	23,250
Projects - Greening		10,062	6,180
Projects - Heritage project		-	180,000
Projects - Public Space		53,900	-
Projects - Social upliftment		-	134,580
Projects - Supportive Housing		126,641	117,594
Projects - Work Rehabilitation		-	147,054
Projects Other (inverter battery)		23,525	-
Rates and municipal services		49,896	51,947
Repairs and maintenance		16,897	13,536
Secretarial fees		15,870	7,147
Security		4,618,445	4,112,938
Shelter fees		14,307	72,000
Small tools under R7000		3,434	3,714
Social upliftment		316,700	30,681
Staff clothing		31,060	12,305
Staff welfare		21,946	14,947
Telephone		15,552	12,623
Training		9,520	-
		<b>8,898,982</b>	<b>8,326,260</b>



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