

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

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

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Directors' Responsibilities and Approval

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

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

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

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Directors' Report

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.

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Directors' Report

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

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 MINNÉ

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Statement of Financial Position as at 30 June 2023

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

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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)
Operating surplus (deficit)		1,154,869	(234,147)
Investment revenue	9	150,095	67,634
Surplus (deficit) before taxation		1,304,964	(166,513)
Taxation	10	5,477	6,416
Surplus (deficit) for the year		1,310,441	(160,097)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		1,310,441	(160,097)

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Statement of Changes in Equity

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

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Statement of Cash Flows

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

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, 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.

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Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in 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.

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Accounting Policies

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.

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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)	-
Total	624,131	(554,181)	69,950	591,609	(515,071)	76,538

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
	76,538	32,521	(39,109)	69,950

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
	126,846	(50,308)	76,538

3. Trade and other receivables

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

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Notes to the Annual Financial Statements

	2023 R	2022 R
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	1,868	965
Bank balances	3,351,244	552,574
Fixed deposits	-	1,042,564
	3,353,112	1,596,103
5. Trade and other payables		
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
	270,757	203,910
6. Revenue		
Revenue - Additional Rates Received	8,609,322	7,268,309
Revenue - Additional Rates Retention Received	1,208,466	809,944
	9,817,788	8,078,253
7. Other income		
Other income	236,063	2,164
Proceeds from insurance claim	-	11,696
	236,063	13,860
As at 30 June 2023 the retention held by City of Cape Town amounted to R266,268.		
8. Operating (deficit) surplus		
Operating (deficit) surplus include the following expenses:		
Operating lease charges		
Premises		
▪ Contractual amounts	335,044	335,044
Equipment		
▪ Contractual amounts	17,853	14,521
	352,897	349,565
Depreciation and amortisation	39,109	50,308
Employee costs	2,103,934	2,037,250
9. Investment revenue		
Interest revenue		
Interest Received	150,095	67,634

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Notes to the Annual Financial Statements

	2023 R	2022 R
10. Taxation		
Major components of the tax income		
Current taxation		
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>
The non-profit company is subject to tax at in terms of section 10(1)(d)(iii) of Income Tax Act.		
11. Cash generated from (used in) operations		
Profit (loss) before taxation	1,304,964	(166,513)
Adjustments for:		
Depreciation and amortisation	39,109	50,308
Interest received	(150,095)	(67,634)
Changes in working capital:		
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>
12. Auditor's remuneration		
Fees	20,500	19,000
13. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- 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.

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Notes to the Annual Financial Statements

	2023 R	2022 R
14. Directors' and prescribed officer's remuneration		
Executive		
2023		
Prescribed officers	Emoluments	Total
Chief Executive Officer		
Mrs AJ Kirk	643,950	643,950
2022		
Prescribed officers	Emoluments	Total
Chief Executive Officer		
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
 (Registration number: 2008/020680/08)
 Annual Financial Statements for the year ended 30 June 2023

Detailed Income Statement

	Note(s)	2023 R	2022 R
Revenue			
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>
Other income			
Insurance claim proceeds		-	11,696
Sundry Income		236,063	2,164
		<u>236,063</u>	<u>13,860</u>
Expenses (Refer to page 20)		(8,898,982)	(8,326,260)
Operating Deficit		1,154,869	(234,147)
Investment income	9	150,095	67,634
Deficit before taxation		1,304,964	(166,513)
Taxation	10	5,477	6,416
Surplus for the year		<u>1,310,441</u>	<u>(160,097)</u>

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

Detailed Income Statement

	Note(s)	2023 R	2022 R
Operating expenses			
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	-
		8,898,982	8,326,260