



Observatory Improvement
District NPC

ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDING 2024

www.obsid.org.za

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PART A
GENERAL
INFORMATION

GENERAL INFORMATION

General Information Company: Observatory Improvement District NPC (OBSID) Non-Profit Company
Company Registration No: 2008/020680/08
Registered Office: 13A St Michael's Road, Observatory, Cape Town, 7925
VAT No: 4910253865

OBSID DIRECTORS:

Justin Ashley - Chair
Kari Cousins - Vice Chair
Sarah Driver-Jowitt
Edwin Angless
David Barraclough
Julie Van der Vlugh
Janet Cronje
Imile De Villers - Co Opt

OBSID CEO:

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Sub-Council Manager Girshwin Fouldien | Girshwin.Fouldien@capetown.gov.za
Auditors Cecil Kilpin & Co. Five continuous years
Accountant Accounts Star c.c.
Company Secretarial U Genthe

LIST OF ABBREVIATIONS/ACRONYMS

OBSID Observatory Improvement District NPC
CEO Chief Executive Officer
CCT City of Cape Town
CCTV Close-Circuit Television



Foreword by the OBSID Chair

Observatory and OBSID has gone from strength to strength this past year. We hope you enjoy reading more details about our activities in the following pages. OBSID is also continuing to look at new ways to support our residents and business district which we will share with you in due course.

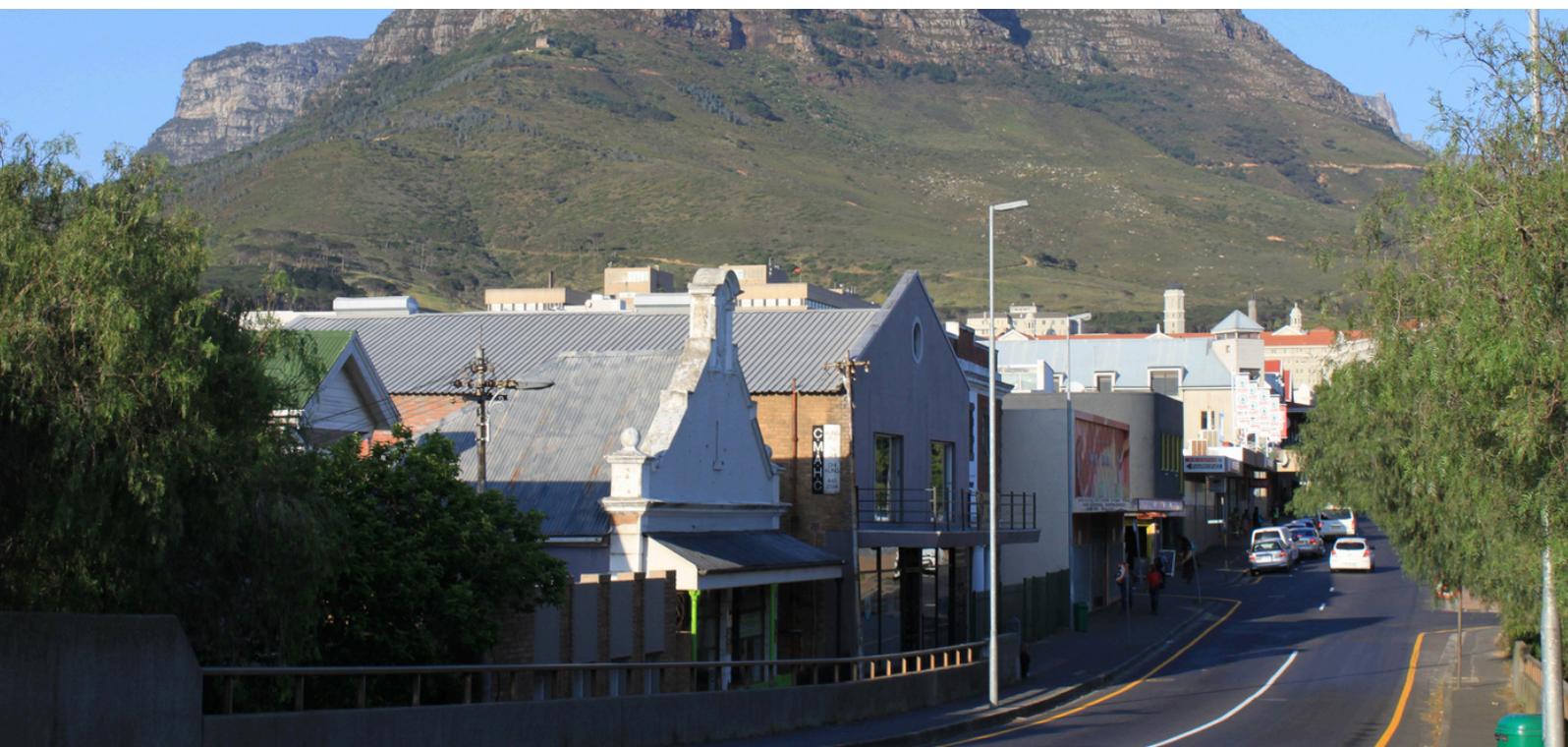
As a suburb, we continue to evolve and are on the cusp of even further changes, with the Riverlands project nearing completion at our doorstep. Many Obs residents look forward to the shopping opportunities that will open there, enjoying the recreation spaces that are currently taking shape, and welcoming the many workers and residents that will move in there and become part of the wider Observatory community.

The past 2023/2024 year has been a significant change for the Observatory Improvement District. Our CEO for the last five years, Amanda Kirk, resigned in late 2023 to take up an exciting opportunity leading the newly established Clifton Improvement District. As one of her last duties, Amanda organised the search for a new CEO with her usual efficiency and attention to detail. After a significant response and due consideration, we appointed Matt Tyrrell as our new CEO. He started in August last year and has taken on the CEO role with aplomb. Matt's appointment also heralded an increased role for our two main programme managers. Leon Nzenza (Public Safety) and Unathi Petu (Urban Management). This serves to strengthen our already strong team.

Together with our excellent public safety manager, Leon, Matt oversaw the introduction of the new patrol vehicle and the deployment of our safety resources. This proactive approach has led to a steady downward trajectory in the overall crime rate in Observatory. We are delighted that the OBSID incidents tracking log shows the lowest number of crime incidents reported in (at least) the last 8 years. Sincere thanks and congratulations to the public safety team for the amazing work they do keeping us safe.

We must not rest on our laurels, however. We want to continue to reduce crime and make Observatory an even safer place to live, visit, shop, and socialise. Matt's report provides more information on our future plans.

The Obsid board remains concerned about the stretch of river between Riverlands and the N2. This a beautiful recreation area, home to many plants and animals and a favourite walking and running area for many in Observatory. We do not want this area to degrade, but it is outside our boundaries, so we cannot offer services there. We are working with interested parties, such as the City and Riverlands management team, to find solutions to better manage this lovely space.





2024 also saw big changes to the Village Green. As residents are aware, the Green had a residential population following settlements during the COVID-19 years. Our social development team worked hard to find individually appropriate solutions, and we are grateful to our ward councillor and the City for their assistance in identifying alternatives. By early this year, the Green was an open public space again.

We are grateful too, to our ward councillor for allocating the bulk of his 2023/2024 ward allocation budget to upgrading the Village Green, based on a proposal that Obsid put together with Open Streets about how best to activate the public open space in that area. Work has been unfortunately delayed, and the project is not yet complete. However, when it is, the Green will again be a delightful place of relaxation and recreation for the wider Observatory community.

On the Social development front, our long-standing social worker, Vuyo Mbala, resigned to further her career elsewhere. Ruby Titus was hired to take her place. Ruby has settled into the team well and has been working hard, especially with the homeless community, to offer services, support and encouragement to get into shelters and programs to help them upgrade their lives.

The Urban Management Team lead by Unathi, continues to provide an extraordinary service. New initiatives such as the introduction of cigarette bins and the opening of the collection cage have served to support our efforts to ensure that Observatory remains clean and enjoyable for all. As always dumping remains a challenge – as does educating residents that collecting household and gardening waste is not an OBSID service.

There are many projects that Obsid directors - all unpaid volunteers - work on as part of our commitment to Observatory. Their dedication is truly commendable. To focus on a few: the Heritage sub-committee has compiled a treasure trove of historical information about Observatory and is working on ways we can activate this to help people understand the rich and varied history of Observatory better. The Traffic sub-committee is busy with a complex project focusing on solving multiple traffic issues around the central Obs business district with the aim of improving the experience of being in central Obs for cars, pedestrians and businesses. The Sewerage sub-committee is engaging with the City around serious sewerage infrastructure issues affecting much of lower Observatory. Finally, the Communications sub-committee are initiating new ways to ensure that residents of Observatory receive the information they need.

We are truly blessed to have such committed, community-minded people willing to serve as directors in Obsid. Their work really does make a difference!

As Chair, I would like to thank my fellow board members for their commitment, Matt Tyrrell, Leon Nzenza, Unathi Petu and every one of the team for their efforts. You are a key part of what makes living in Observatory the joy it is – and your hard work does not go unnoticed.

Justin Ashley
OBSID Chair

Observatory Improvement District management overview

This past year was the second of the five-year business plan cycle. 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. As planned, we deployed a fourth vehicle, which has had a notable impact on reducing the current crime levels in our area. We continue to look at ways to improve our public safety programme. We will be piloting a CCTV network in the business district and the corridors to public transport and parking over the next 18 months. This is the area with the most foot and vehicle traffic and is experiencing criminal activity which is unique to this part of Observatory.

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, and consistent outreach services. We offer the services of a full-time social worker to all residents of Observatory.

The eviction of residents of the Rainbow House clearly demonstrated the limitations of services available. We are pleased however that so many ex-residents have found long term safe solutions.

In 2024 OBSID researched the possibility of a investing in, opening and managing a Social Services Centre, but concluded that we are unable to fund such a service, no matter how valuable, without a substantial increase in the financial support that we receive from residents. We will continue to investigate options, partnerships and the possibility of municipal or provincially funded solutions.

Our cleaning teams are on the streets daily, and their hard work has not gone unnoticed.

This year, the team collected almost eleven tons of refuse from the streets of Observatory, a testament to the effectiveness of our cleaning initiatives.

Last year, we entered into a successful 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. This partnership has definitely shown results as well as providing an opportunity for employment for those seeking to improve their circumstances.

As we move forward, we remain dedicated to our mission of enhancing the quality of life for all in Observatory. We will continue to adapt and innovate, working collaboratively to address challenges and seize opportunities. We will build a "Safer, Cleaner, Smarter Observatory".

Making Places for People.

I want to express my heartfelt gratitude to each and every OBSID staff member, the OBSID Board members who volunteer their time, and each Securitas public safety team member for their unwavering dedication and hard work this year. Your efforts have been instrumental in our progress and success.

Matt Tyrrell
CEO

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

We confirm that, to the best of our knowledge:

- All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Cecil Kilpin & Co
- The directors consider the annual report, taken as a whole, to be accurate, fair, balanced, and free of material omissions.
- The Financial Statements, prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities, and financial position of the company.
- The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the board on 31 August 2024 and signed on behalf by:

Justin Ashley

Chair of the OBSID Board

31 August 2024





OUR MISSION

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

Develop Obs

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

Contribute to Obs

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

Nurture Obs

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

Work together

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



**PART B
OBSID
ANNUAL
REVIEW 2024**

MANAGEMENT AND OPERATIONS

As a mature improvement district with a change in leadership, we have the opportunity to review and reflect on our business operations.

With a focus on internal controls and processes, service stabilisation, and deepening and improving relationships with service providers, we're ever mindful of our obligations to ratepayers to deliver value for money and 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 spending to ensure you receive value for money.

Relationship with the City of Cape Town:

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

However, we have limited engagement or influence in coordinating city services. Strengthening these relationships is essential for the successful functioning of OBSID.

Board of Directors:

The Board of Directors is stable and well-functioning. The 2023 AGM welcomed Janet Cronje's return to the Board and 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, consisting of eight members, upholds its commitment by convening at least six times a year.

Corporate governance

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

Human resources:

HR systems are stable and functioning well. Staff attendance is satisfactory, with minimum unplanned absenteeism. Staff management processes—including half and full-year performance reviews, performance counselling, and misconduct management processes—are in place and effective.

Four staff members left during the reporting period: Amanda Kirk (CEO) in August 2023, Dean Harris (urban management) in December 2023, Sindle Mati (Urban Cleaner) in March 2023, and Vuyokazi Mbala (Social Development) in June 2024.

Matt Tyrrell (CEO) joined the team in August 2023, and Unathi Petu took up the role of Urban Management Supervisor in March 2023. Ruby Titus joined the team in August 2024 as our social Development Programme coordinator.

Straatwerk Ophelp Projekte currently supports the cleaning team as and when required. We want to maintain our service levels by effectively working with our team.

We are proud to report that our team is committed and happy in their roles. This positive morale is a testament to our organizational culture and the efforts of our staff management team.

Communications:

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

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

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

We also engage with the community via multiple WhatsApp groups and Observatory-focused social media pages.

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

Complaints Process

OBSID offers numerous channels for dealing with complaints. Formal complaints can be lodged with the OBSID management via email. The OBSID management will act on the complaint with one or more of the following actions:

- Referring serious complaints to the Board
- Meeting with the complainant to understand the problem and address the issue
- Proactively scheduling the necessary tasks or actions to resolve the matter by the OBSID team
- Logging a service request with the City of Cape Town
- Communicating with the complainant about the actions taken
- Follow-up process and communication with the complainant until the matter is resolved
- Complaints are also received via website contact messages, email replies to newsletters, and feedback via various social media platforms, including the numerous Observatory WhatsApp groups monitored via the central control room.
- Telephonic complaints are also handled promptly and professionally. They can be directed to the operational managers or the central control room, the number of which is prominently displayed on all patrol vehicles.

Most complaints relate to crime incidents, perceived criminal activity, or municipal infrastructure failures. Unless immediate response is required, safety and crime incidents are dealt with through weekly meetings with the SAPS or by adjusting our public safety deployment plans. Infrastructure failures are either addressed by the OBSID urban team as soon as possible or, if necessary, a service request is logged with the City of Cape Town and followed up until completed.



Keeping Observatory clean:

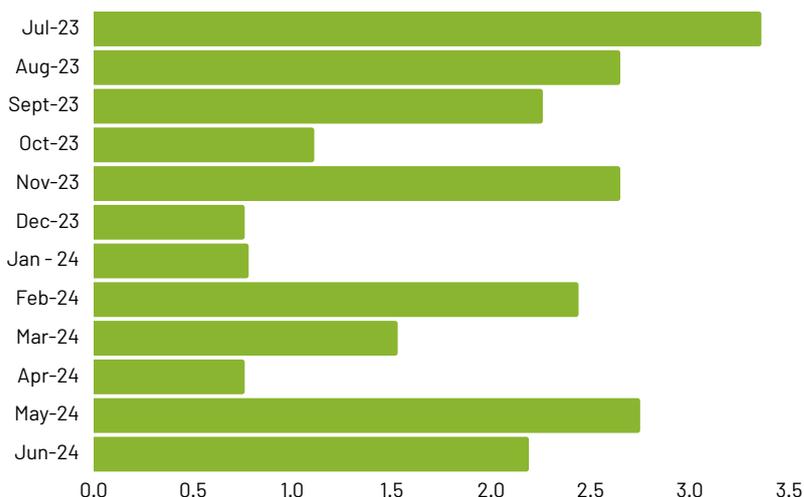
This year, we collected **56 277 bags of refuse** from public spaces in Observatory! Including emptying bins in public spaces and basic maintenance of the parks in Observatory –these responsibilities have devolved from the City to OBSID over time.



Cigarette Butt collection

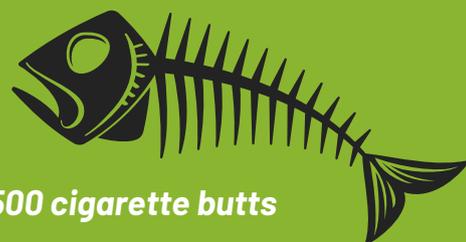
The graph below illustrates the **amount Cigarette Butts** we have collected over the **year (in KG)**:

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.



DID YOU KNOW?

*"Ciggie butts stubbed out on pavements often **find their way into stormwater drains, eventually landing up in the sea, posing a threat to marine ecosystems.** Marine animals, including fish and seabirds, risk ingesting ciggie butts resulting in death."*

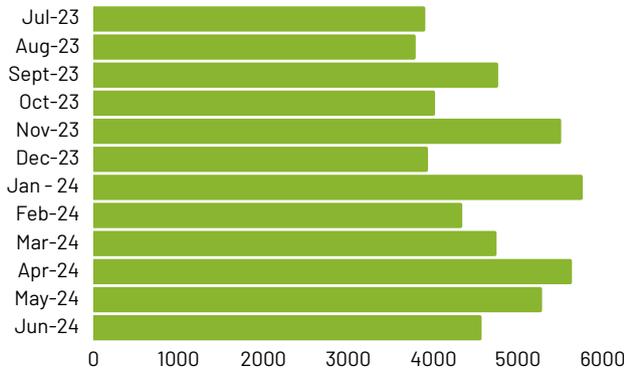


*"It's a fact that **500 cigarette butts soaked in 500 litres of seawater can be fatal to fish living in it, and marine conservationists predict that by 2037 there will be more ciggie butts in the ocean than snoek!**"*



Refuse Bay Collection

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



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.

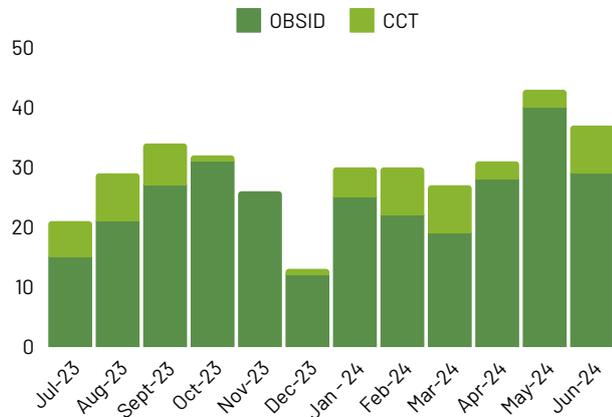
We added an afternoon cleaning service which has shown excellent results



Illegal Dumping Incidents

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

Our team works in their individually designated sectors from Monday to Friday, 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 **353 incidents reported this year.**

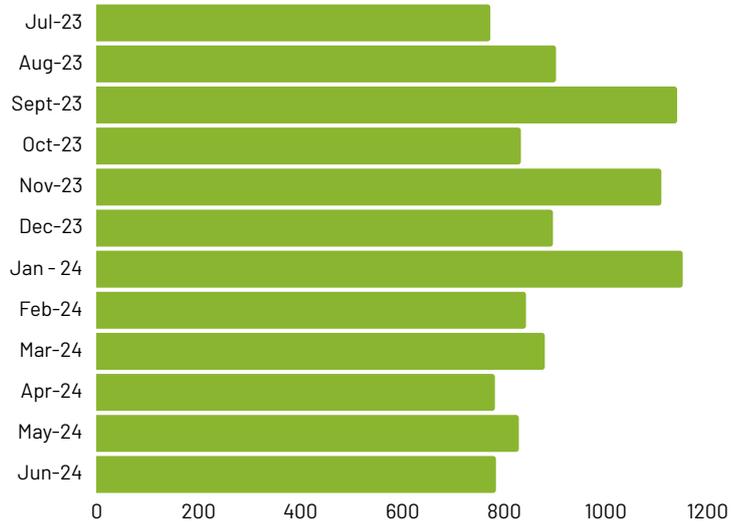
Our work-based rehabilitation team has been reduced in number this year, but it **still provides 5.5 hours of daily cleaning in public spaces from Mondays to Fridays**, deployed into sectors as needed



Partnerships in urban management:

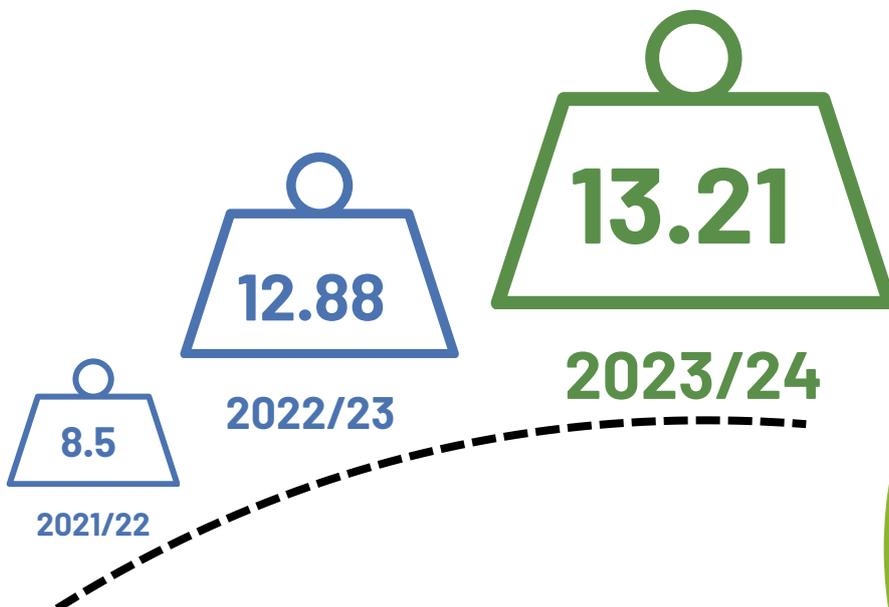
The graph below illustrates the **impact of our afternoon cleaning service**

Our outsourced arrangements with Straatwerk—focussed on graffiti removal and afternoon litter pick-ups—and Green4Life Gardeners—focussed on the Observatory's green spaces—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.



Recycling

Many residents use Recycling services such as Recycle 1st or Abundant recycling. This is great to see, and OBSID has partnered with The Glass Recycling Company, which buys our empty glass bottles from OBSID. You can see that over the last few years, we have been using this service more and more (in tonnes).



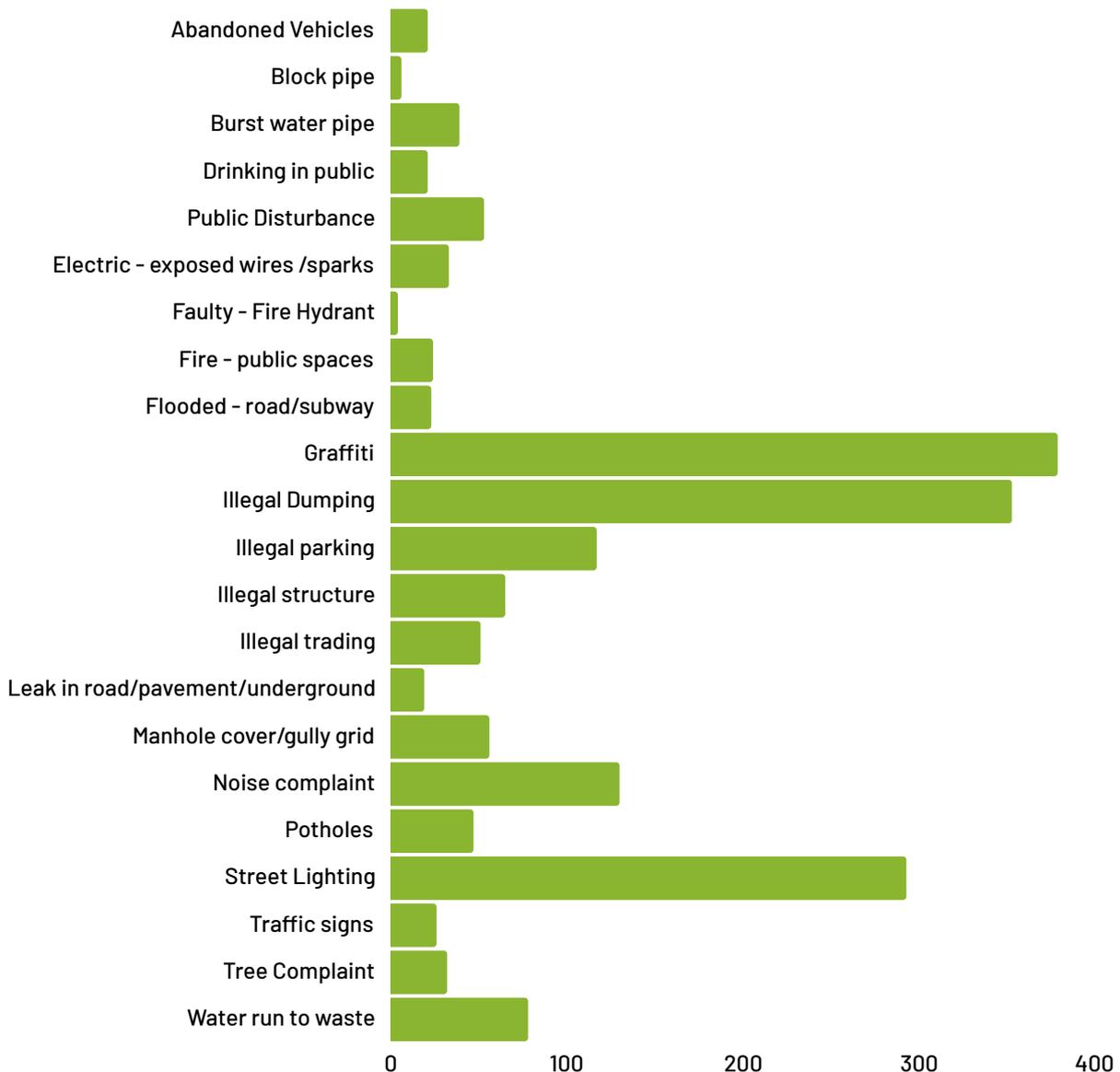


City infrastructure in Observatory:

City infrastructure faults resulted in 1149 C3s (service requests) being logged with the City during this reporting period.

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

NB: Street lighting reporting does not include outages due to load shedding—these reports relate to faulty streetlights throughout the Observatory.





The past year has seen a lot of change, with the City and private businesses reclaiming public space and occupying private land. Our social development programme remained robust, **and at the end of the year, we recorded 23 active clients in the social development programme.**

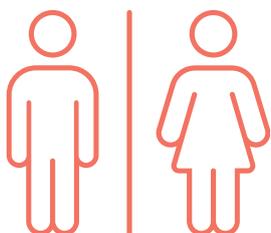
The challenges and reasons why people live in public spaces are complex and difficult to solve. OBSID's focus remains on providing a sound framework that includes outreach, individual case management, linkage services, and access to a smaller work-based rehabilitation with supportive housing.

We remain aware that giving handouts far too often enables unhealthy and destructive choices. As this is not our area of expertise, we work to support organisations with the skills to provide empowerment and rehabilitation programmes.

Observatory has a generous and caring community. We strongly encourage residents and visitors to consider supporting organisations focusing on long-term benefits.

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

Our work-based rehabilitation programme came to an end in 2023 and in 2024 we started working with U-turn and Youth Solutions. Together we offer weekly structure and group sessions, which continue to grow, and a work-based rehabilitation programme for a smaller number of clients. We continue considering new applications and managing expectations as funding remains challenging.



The Dignity Project:

OBSID continued managing and servicing toilets in 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.

Social development by the numbers:

The impact of the work of our social development team is varied, and we're so proud of the excellent relationship between public safety and social development when it comes to identifying vulnerable individuals in need of support. This reflects our commitment to dignity for all.

687 different services were offered including:

12 

clients assisted into a shelter or back with their families

11 

medical appointments accessed

107 

counselling sessions held

11 

clients assisted in successfully applying for SASSA grants (old age, disability)

8 

clients referred to other organisations to access assistance

Some success stories include

- **2 Clients** from the group have been **employed**, one on the EPWP contract, and one is working at the restaurant as a Sushi chef in Cape Town.
- **One client** is **currently training for employment** with Teleperformance.
- **One client, the mother of twins** was able, through the help of our social worker and by attending life skills programmes, **to have her children returned to her care.**
- **One client**, having completed his programme, **was discharged from DP Marais** and was **reunited with** (and moved back to) **his family in Mitchells Plain.**



We have a very **well-organised, extensive public safety service** in Observatory **in partnership** with our public safety contractor, **Securitas. 2024** records our **eighth consecutive** year-on-year **reduction in crime.**

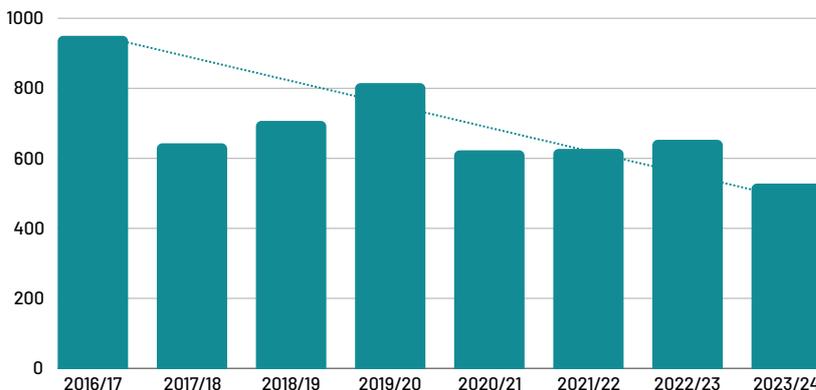
Our public safety service includes 24/7/365 foot and vehicle patrols backed up by a control room and licence plate recognition (LPR) systems.

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.

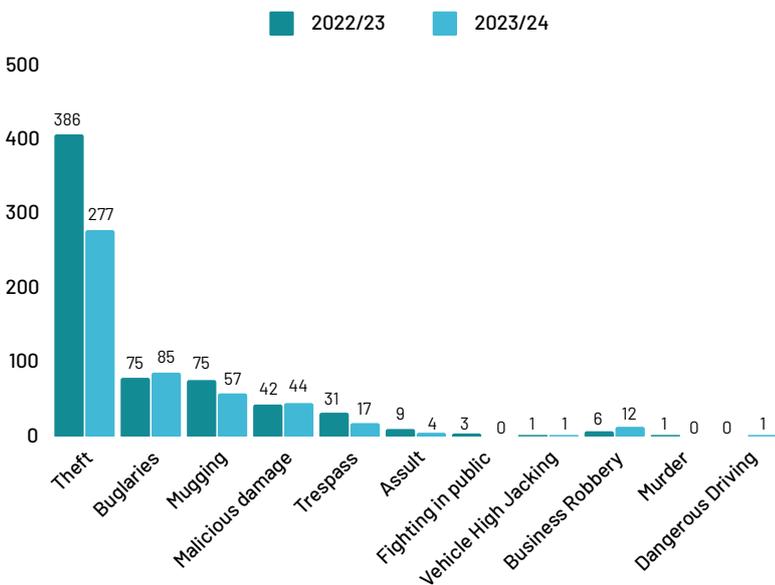
Keeping Observatory safe:

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

We recorded 528 incidents during the year. While we are proud of the **long-term trend of decreasing incidents**, we cannot rest on our laurels. OBSID continues to seek new ways to combat crime and increase public safety.



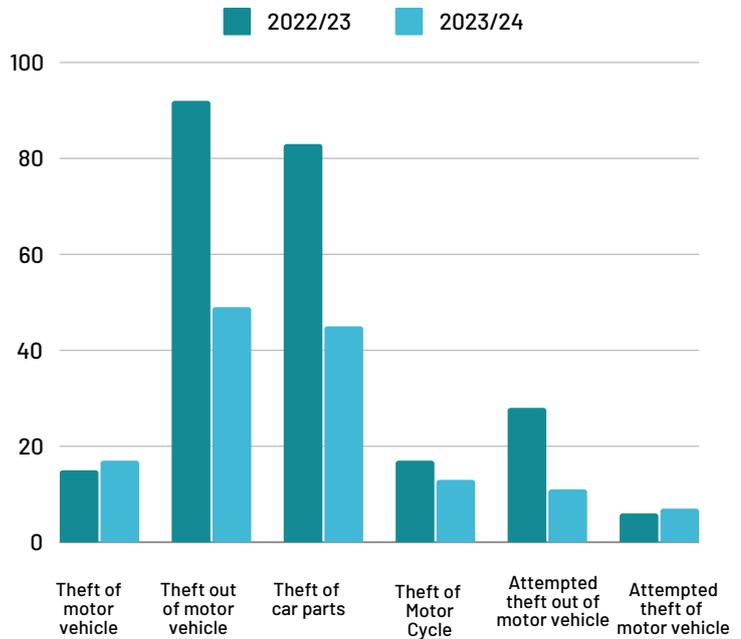
The below graph indicates the type and number of incidents reported this year:





Vehicle-related incidents remain prominent in this reporting cycle, **accounting for 26% of the reported incidents**, but thanks to your proactive behaviour, we **have managed to reduce this**.

Broken down as follows:

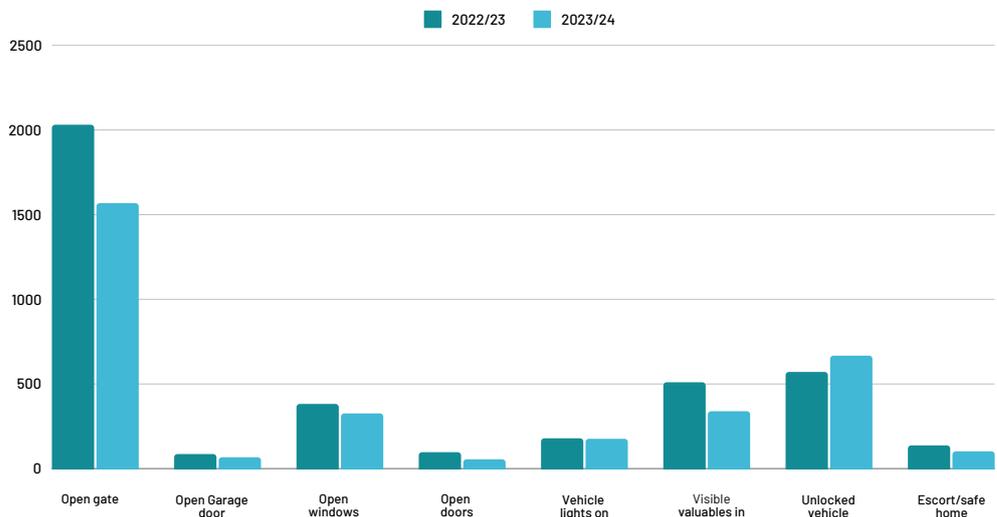


Prevention of opportunistic crime will invariably be part of a public safety team's plans.

We continue to use social media and other platforms to remind the community of the simple actions we could take to protect our property and possessions. Our deployed personnel spent considerable time informing owners or residents of unlocked vehicles, open doors, and open garages or premises gates. Removing temptation and being proactive will assist in reducing the number of incidents reported for the year.

We noted **3,300 proactive actions** in this reporting period.
A reduction of 693 from the previous year.

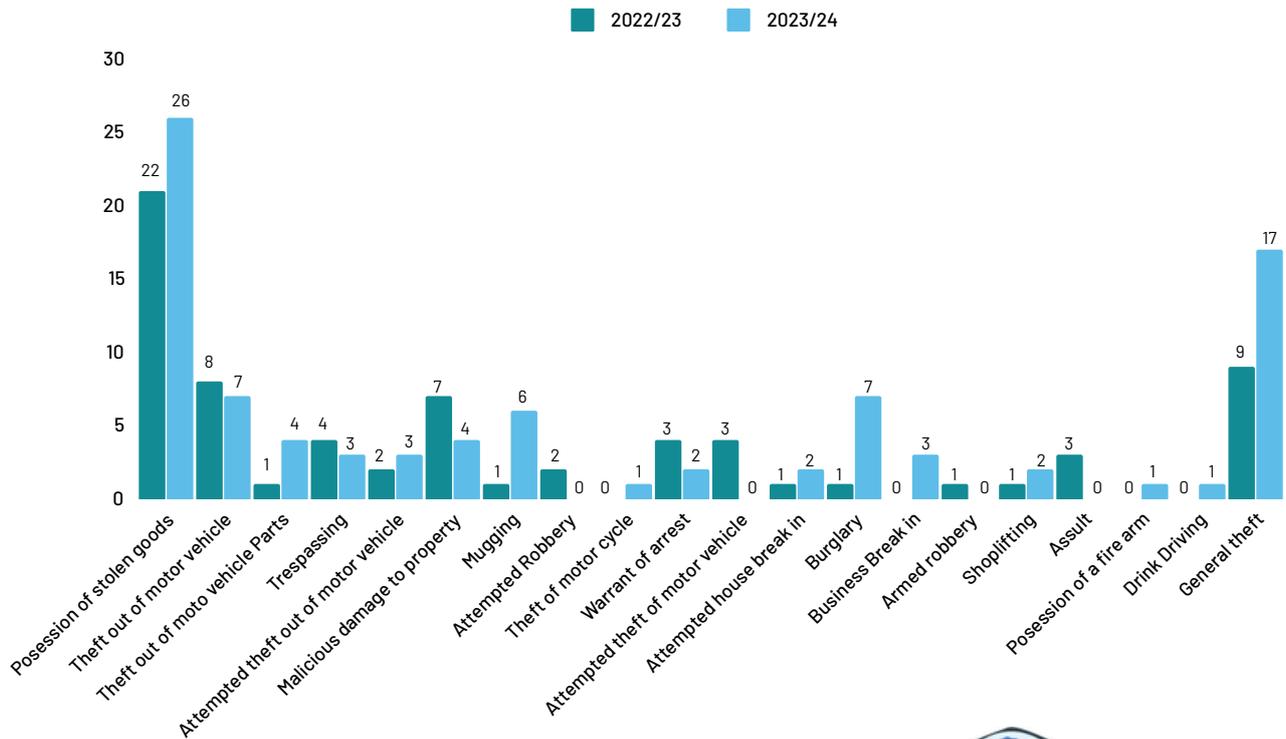
The graph shows the different types of proactive actions taken by our public safety team:



Arrests

The public safety officers assisted SAPS in making 89 arrests during this period. Unfortunately, with an additional three arrests, the complainants did not want to open a criminal case, so the suspects were released.

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



Community involvement:

Public Safety Officers patrol the streets 24/7. We could be more effective if the community were more involved in reporting suspicious activity. Public safety officers cannot be everywhere, and if we can join forces with the community, our resources will be more effectively utilised.

The Woodstock Precinct Community Police Forum works well for our community, assisting OBSID and SAPS. Successes include breaking down barriers with PRASA and problem landlords in the greater precinct and providing Scholar escorts in problem areas.

Observatory CPF is sub-sector 1 with a community meeting on the 1st Wednesday of the month if you want to get involved.



The Challenges:

The public safety team has faced many challenges during this period, which will likely continue. We call on all residents to help by leading by example and discouraging behaviour that leads our officers to have to attend to anti-social crimes and traffic offences. By reducing the time that the team spends on proactive behaviour, the team will be able to be more visible, deterring criminal behaviour in Observatory.

Even though the number of cases reported to SAPS is decreasing, Observatory remains vulnerable to criminal elements. We are also aware that, because of residents' reluctance to report crime, SAPS's statistics cannot truly reflect what is occurring in our area.

While the OBSID public safety officers do not have enforcement powers, they rely on the support of different law enforcement departments to handle the more serious complaints. As the City of Cape Town progresses with processes to reclaim public spaces, the limited law enforcement presence means our officers often deal with issues related to the street-based community largely on their own. We continue to call on our community to be vigilant and supportive.

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.

I want to offer a special thanks to Robert Witbooi and Charl Brooks of Securitas for their efforts in supporting and strengthening OBSID's public safety programme.





We **delivered on two** projects during this reporting period and **scoped three** others:

Greening

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. We continue to look for suitable opportunities

Traffic Management Proposal :

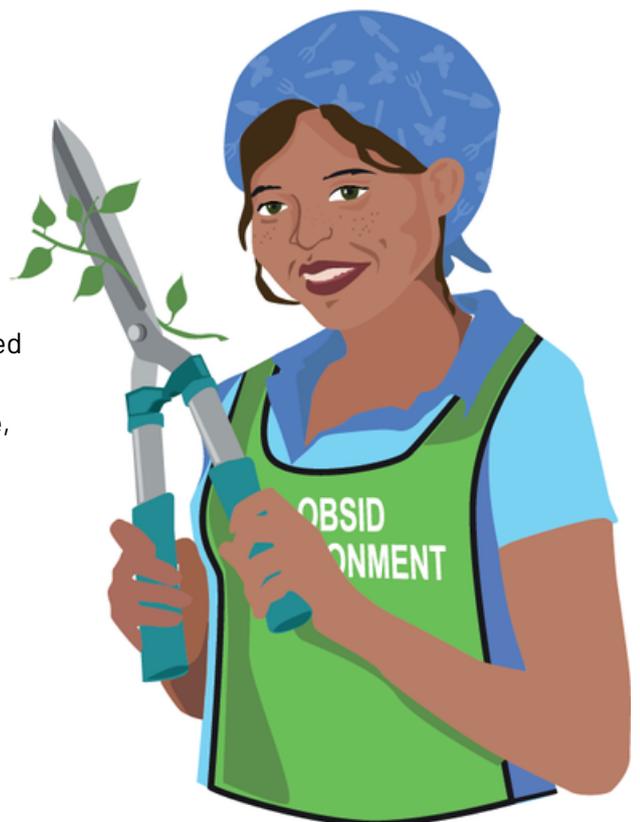
Following consultation with residents, OBSID investigated solutions to the increasing traffic congestion and challenges experienced by pedestrians in Observatory.

In partnership with several specialist consultants, we delivered a data-supported proposal to the Council to improve traffic flow and pedestrian experience, particularly on Lower Main Road. This intersectional challenge requires a number of solutions that are not contingent on each other.

OBSID will continue to engage with the City and Council to facilitate the implementation of this proposal. We also continue to investigate ways to improve traffic flow and the safety and experiences of pedestrians. We remain committed to improving the lives of all residents and visitors to Observatory.

Perceived Safety Observatory:

Despite a demonstrable reduction in crime, like most inner-city suburbs, Observatory's business district and nightlife areas can be perceived as dangerous. A few businesses in Observatory sadly experienced armed robberies in the last year, a challenge on the increase across South Africa. While small in number, this has dramatically impacted the perceived crime in Observatory. CCTV has been shown to reduce this type of crime and increase confidence. OBSID will, therefore, proceed with a CCTV project, which is already earmarked in the current business plan. This project is in its early stages and will focus on the business district.



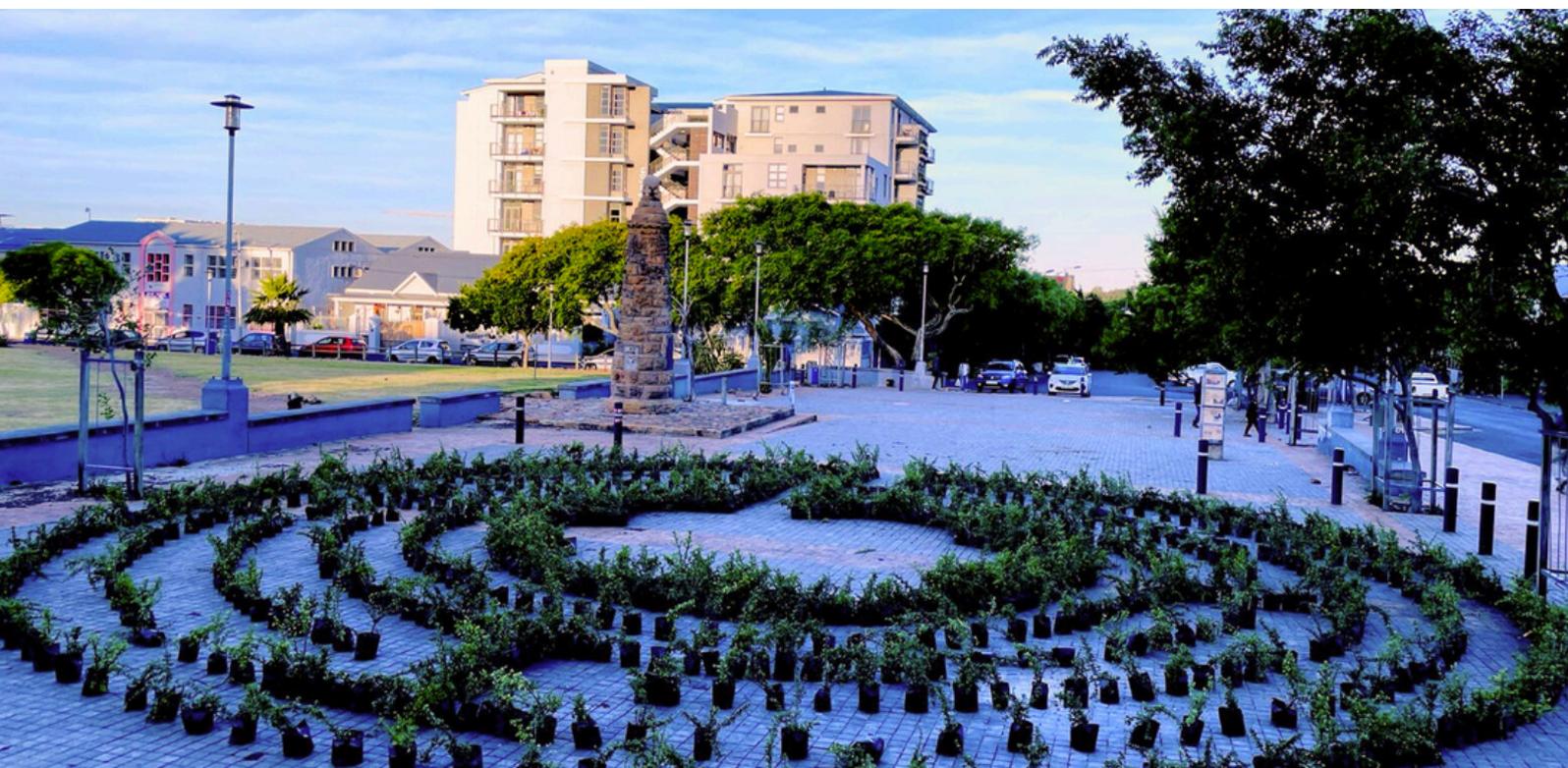


Cape Town Science Centre:

OBSID partnered with the wonderful institution of The Cape Town Science Centre. We provided the families of the Observatory with access to 400 annual memberships. We were hoping to plant ideas and inspire the minds of future scientists

Heritage : Obs Live.

OBSID is currently investing in developing Observatory Live – a transformative digital archive initiative focused on capturing the vibrant history and present experiences of Observatory, Cape Town. The project will leverage Social Media to disseminate engaging content, bridging the gap between past and present in this community. Through dedicated channels like Obs History and Current Affairs, Observatory Life will curate compelling videos, articles, and other multimedia, shedding light on the rich tapestry of Observatory's heritage. We believe that celebrating Observatory's diverse history will enrich the lives of residents and visitors.



Acknowledgments and thanks:

A sincere word of thanks to the OBSID staff – Leon Nzenza, Unathi Petu, Nicholas Jansen, Master Banda, Hugh Chimwa, Bonisile (Oscar) Mrwashu, Michael Manamela, Raymond Duarte, Thembela Radasi, Kholeka Mnukwa , 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:

- Joepie Joubert, Bonita Ascot, Eddie Scott, Alma Stoffels and Nonhlanhla Ngubane at the City CID Unit;
- SAPS – Colonel Matroos – Station Commander, Warrant Officer Sgt Pienaar – Designated Liquor Officer; Captain Khewu – Crime Intelligence, Sgt Ontong – Sector Commander and R/Sgt Bergendal – SAPS Reservist
- Councillor Yusuf Mohamed and Vivenne Sasman (Ward 57)

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

- William Marera Straatwerk OPHELP Projekte,
- Lise van den Dool (U-Turn's chief Programmes Officer);
- Susan Smith and the volunteers of the LPR user group;

Our service providers and suppliers – Catalyst Communications, CBA, Connect 1-2-3, Dr Wash Laundry, Gravit8, Green 4 Life Gardeners, Hawkes and Findlay, Judith Mukuna-Garisch, 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 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 and company secretarial services.



The background features a light blue graphic of a document with a folded top-left corner. A circular checkmark is positioned in the upper right area of the document. A magnifying glass is overlaid on the document, with its handle extending towards the bottom right. The text is centered over the document.

PART C CORPORATE GOVERNANCE

Application of King IV

In recognition of the fact that the Observatory Improvement District NPC is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, Observatory Improvement District NPC voluntarily subscribes to the King Code of Corporate Governance for South Africa 2016 ("King IV"), which came into effect on 1 April 2017. King IV contains a series of recommended reporting practices under the 15 voluntary governance principles.

The practices applied by the company are explained in this part (Part C), of the Annual Report. In determining which reporting practices to apply, the board took account of, among other things, the CCT's policy, and the reporting protocols appropriate to a non-profit entity such as the Observatory Improvement District NPC.

Compliance with King IV for the reporting period. The board is satisfied that Observatory Improvement District NPC has complied with the applicable principles set out in King IV during the period under review, to the extent reasonably possible, are provided fully below.

Governance Structure

1.1. Board Composition

The Board is satisfied that the Board of Observatory Improvement District NPC is compiled by a representative group of directors representing the interests of the varied property owner groups within the OBSID footprint.

1.2. Board Observer

In terms of the By-law, city councilors are designated as "board observers" by the Executive Mayor to conduct oversight of board functions. This oversight entails receiving board documentation and attending board meetings, with a view to ensuring that the company duly executes its statutory mandate. The Executive Mayor has appointed Cllr. Yusuf Mohammad as board observer, Ald Matthew Kempthorne as the alternative.

1.3. Appointment of the board

An Annual General Meeting is held every year to review the performance of the OBSID and to confirm the mandate of the members. The AGM provides the opportunity to elect new directors to serve on the board of Observatory Improvement District NPC. Elected Board members take responsibility for the various portfolios in the company and regular board meetings allow the directors to review current operations and apply corrective measures as required.

1.4. Overview of the board's responsibilities

The Board provides oversight, governance, and strategic guidance to ensure the company's long-term success. In executing this task, the Board:

- identifying strategies to implement the OBSID's business plan in a manner that ensures the financial viability of the company and takes adequate account of stakeholder interests.
- monitoring compliance with applicable legislation, codes, and standards.
- approving the annual budget.
- overseeing preparation of and approving the annual financial statements for adoption by members.
- exercising effective control of Observatory Improvement District NPC and monitoring management's implementation of the approved budget and business plan.

1.7. Board charter

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

1.8. Director Independence

During the period under review, the board formally assessed the independence of all non-executive directors, as recommended by King IV. The board has determined that all the non-executive directors, including the chairperson, are independent in terms of King IV's definition of "independence" and the guidelines provided for in principle 7.28.

1.9. Board Committees

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

1.10. Attendance at board and committee meetings

The board convenes at least once every 2 months. An interim Board Information Pack is distributed monthly with the option to convene a special board meeting when necessary.

Ethical Leadership

Directors are required to maintain the highest ethical standards. To this end, the NPC has adopted a code of conduct for directors, which governs their ethical roles and responsibilities, and provides guidelines on the applicable legal, management and ethical standards.

The Code is available online at www.obsid.org.za

Upon appointment, directors must declare in writing to the chairperson any private interests which could give rise to a potential conflict of interest. These declarations are kept in a register and are regularly updated.¹

Directors must further disclose in writing to the chairperson if any matter before the board gives rise to a potential conflict of interest. Such a director must recuse himself for herself from consideration and deliberation of, or voting on, the matter giving rise to the potential conflict of interest.

Transparency in personal or commercial interests ensures that directors are seen to be free of personal or business relationships that may materially interfere with their ability to act independently and in the best interests of the NPC.

The board is satisfied that the directors have complied with their duties in terms of the Code during the year under review. No changes to the directors' respective declarations were recorded which could potentially impact their independence.

¹ The code of conduct provides that the register is under the control of the chairperson and is kept confidential.



PART D
FINANCIAL
INFORMATION

Noting of Surplus

Line Item in PIE Report	Surplus Utilisation approved at the 2023 AGM	Surplus Utilisation approved by the Board during the financial year	Total Surplus Utilised in 2022/23
REVENUE			
Accumulated Surplus	-	485,959	485,959
EXPENDITURE			
PROJECTS:			
Greening		26,580	26,580
LMR closures: feasibility, traffic impact study		140,264	140,264
Website - Revamp		37,103	37,103
Cape Town Science Centre	-	80,000	80,000
Capital Expenditure (PPE)			
Fence / Wall		202,012	202,012
	-		-
TOTAL SURPLUS FUNDS UTILISED IN 2023/24	-	485,959	485,959

OBSERVATORY IMPROVEMENT DISTRICT NPC
(Registration number 2008/020680/08)
Annual Financial Statements
for the year ended 30 June 2024

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

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 JN Cronje
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

Observatory Improvement District NPC
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Annual Financial Statements for the year ended 30 June 2024

Index

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

	Page
Directors' Responsibilities and Approval	3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Annual Financial Statements	15 - 18
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	19 - 20

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

Directors' Responsibilities and Approval

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

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

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

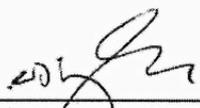
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The directors have reviewed the company's cash flow forecast for the year to 30 June 2025 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 18, which have been prepared on the going concern basis, were approved by the directors and were signed on its behalf by:

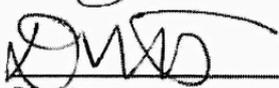
Approval of annual financial statements



Director



Director



Director

Cape Town

Date: 29/Aug/2024

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

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 2024.

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	
DA Barraclough	
SB Driver-Jowitt	
IJ De Villiers	Resigned 01 November 2023
JN Cronje	Appointed 01 November 2023

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 2024

Directors' Report

6. Auditors

Cecil Kilpin & Co. continued in office as auditors for the company for 2024.

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 2025 financial year.

7. Secretary

The company secretary is U Genthe.

Postal address

P O Box 201
Caledon
7230

Business address

28 Protea St
Caledon
7230

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 2024, 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 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 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 2024", 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.

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.

Independent Auditor's Report

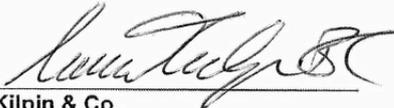
Auditor's Responsibilities for the Audit of the Annual Financial Statements

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: 29/08/2024

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

	Note(s)	2024 R	2023 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	273,361	69,950
Current Assets			
Trade and other receivables	3	60,902	65,202
Cash and cash equivalents	4	3,890,388	3,353,112
		3,951,290	3,418,314
Total Assets		4,224,651	3,488,264
Equity and Liabilities			
Equity			
Retained income		3,934,704	3,217,507
Liabilities			
Current Liabilities			
Trade and other payables	5	289,947	270,757
Total Equity and Liabilities		4,224,651	3,488,264

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comprehensive Income

	Note(s)	2024 R	2023 R
Revenue	6	10,520,845	9,817,788
Other income	7	12,824	236,063
Operating (deficit) surplus	8	(10,105,187)	(8,898,982)
Operating surplus (deficit)		428,482	1,154,869
Investment revenue	9	288,715	150,095
Surplus (deficit) before taxation		717,197	1,304,964
Taxation	10	-	5,477
Surplus (deficit) for the year		717,197	1,310,441
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		717,197	1,310,441

Observatory Improvement District NPC
 (Registration number: 2008/020680/08)
 Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Equity

	Retained income R	Total equity R
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 01 July 2023	3,217,507	3,217,507
Surplus for the year	717,197	717,197
Other comprehensive income	-	-
Total comprehensive surplus for the year	717,197	717,197
Balance at 30 June 2024	3,934,704	3,934,704

Observatory Improvement District NPC
 (Registration number: 2008/020680/08)
 Annual Financial Statements for the year ended 30 June 2024

Statement of Cash Flows

	Note(s)	2024 R	2023 R
Cash flows from operating activities			
Cash generated from operations	11	484,311	1,639,435
Interest income		288,715	150,095
Net cash from operating activities		773,026	1,789,530
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(235,750)	(32,521)
Total cash movement for the year		537,276	1,757,009
Cash and cash equivalents at the beginning of the year		3,353,112	1,596,103
Total cash at end of the year	4	3,890,388	3,353,112

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

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.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

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
Other fixed assets - Fence	Straight line	10 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.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.2 Property, plant and equipment (continued)

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.

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 or 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 the 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.

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.

Observatory Improvement District NPC

(Registration number: 2008/020680/08)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Furniture and fixtures	77,260	(67,590)	9,670	77,260	(58,964)	18,296
Motor vehicles	231,268	(222,267)	9,001	231,268	(213,268)	18,000
Office equipment	21,819	(21,809)	10	21,819	(21,809)	10
IT equipment	111,388	(92,461)	18,927	111,388	(77,747)	33,641
Security Equipment	177,256	(177,253)	3	177,256	(177,253)	3
Other fixed asset - Fence	235,750	-	235,750	-	-	-
Other fixed asset	5,140	(5,140)	-	5,140	(5,140)	-
Total	859,881	(586,520)	273,361	624,131	(554,181)	69,950

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	18,296	-	(8,626)	9,670
Motor vehicles	18,000	-	(8,999)	9,001
Office equipment	10	-	-	10
IT equipment	33,641	-	(14,714)	18,927
Security Equipment	3	-	-	3
Other fixed asset - Fence	-	235,750	-	235,750
	69,950	235,750	(32,339)	273,361

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

3. Trade and other receivables

Deposits	58,902	58,902
Other receivables	-	5,350
Rent Control	900	-
Prepayments	1,100	950
	60,902	65,202

4. Cash and cash equivalents

Cash and cash equivalents consist of:

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

	2024 R	2023 R
4. Cash and cash equivalents (continued)		
Cash on hand	1,531	1,868
Bank balances	3,888,857	3,351,244
	3,890,388	3,353,112
5. Trade and other payables		
Trade payables	83,917	63,376
PEP Control (Public Employment Program)	2,734	-
Deposits - Keys	40,316	34,366
Accrued expense	123,421	139,650
Sundry creditors	614	1,311
Other payables	38,945	32,054
	289,947	270,757
6. Revenue		
Revenue - Additional Rates Received	9,861,205	8,609,322
Revenue - Additional Rates Retention Received	659,640	1,208,466
	10,520,845	9,817,788
7. Other income		
Other income	12,824	236,063
8. Operating (deficit) surplus		
Operating (deficit) surplus include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	365,198	335,044
Equipment		
• Contractual amounts	16,432	17,853
	381,630	352,897
Depreciation and amortisation	32,339	39,109
Employee costs	2,031,988	2,103,934
Projects - Website Revamp	37,103	-
9. Investment revenue		
Interest revenue		
Interest Received	288,715	150,095
10. Taxation		
Major components of the tax income		
Current taxation		
South African normal tax - prior period (over) under provision	-	(5,477)

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

	2024 R	2023 R
11. Cash generated from operations		
Surplus (deficit) before taxation	717,197	1,304,964
Adjustments for:		
Depreciation and amortisation.	32,339	39,109
Investment income	(288,715)	(150,095)
Changes in working capital:		
Trade and other receivables	4,300	378,610
Trade and other payables	19,190	66,847
	484,311	1,639,435
12. Auditor's remuneration		
Fees (current)	22,500	20,500
Adjustment for provision for audit fees	7,250	-
	29,750	20,500
13. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	413,546	380,678
- in second to fifth year inclusive	42,570	456,116
	456,116	836,794

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.

14. Directors' and prescribed officer's remuneration

Executive

2024

Emolumnets Total

Prescribed officer

Mrs AJ Kirk
M Tyrrell

165,724 165,724

508,696 508,696

674,420 674,420

2023

Emoluments Total

Prescribed officer

Mrs AJ Kirk

643,950 643,950

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Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

	2024	2023
	R	R

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 2024

Detailed Income Statement

	Note(s)	2024 R	2023 R
Revenue			
Revenue - Additional Rates Received		9,861,205	8,609,322
Revenue - Additional Rates Retention Received		659,640	1,208,466
	6	10,520,845	9,817,788
Other income			
Sundry income		12,824	236,063
		(10,105,187)	(8,898,982)
Expenses (Refer to page 20)			
Operating surplus		428,482	1,154,869
Investment income	9	288,715	150,095
Surplus before taxation		717,197	1,304,964
Taxation	10	-	5,477
Surplus for the year		717,197	1,310,441

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Annual Financial Statements for the year ended 30 June 2024

Detailed Income Statement

	Note(s)	2024 R	2023 R
Operating expenses			
Accounting fees		69,500	69,800
Administration Fees		3,049	-
AGM expenses		26,573	22,597
Auditors remuneration	12	29,750	20,500
Bank charges		11,311	12,508
Cleaning		516,763	201,868
Communications		89,158	82,418
Compensation for Occupational Injuries & diseases		48,546	72,582
Computer expenses		20,717	31,867
Depreciation, amortisation and impairments		32,339	39,109
Employee costs		2,031,988	2,103,934
Employee costs - Paye & UIF		298,608	311,576
Environmental Upgrading		192,132	171,934
Insurance		28,590	24,515
Lease rentals on operating lease		381,630	352,897
Motor vehicle expenses		36,867	36,200
Postage & Courier		110	-
Printing and stationery		12,759	16,922
Projects - Cape Town Science Centre Partnership		80,000	-
Projects - Greening		26,580	10,062
Projects - Inverter battery		-	23,525
Projects - Public Spaces		282,033	53,900
Projects - Supportive Housing		-	126,641
Projects - Website Revamp		37,103	-
Rates & municipal services		59,823	49,896
Repairs and maintenance		25,033	16,897
Secretarial fees		6,435	15,870
Security		5,524,614	4,618,445
Shelter fees		2,250	14,307
Small Tools under R7 000		5,788	3,434
Social Upliftment		103,308	316,700
Staff Clothing		52,528	31,060
Staff welfare		42,732	21,946
Telephone		16,908	15,552
Training		9,662	9,520
		10,105,187	8,898,982





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Company Registration: 2008/020680/08

