KALK BAY ST. JAMES
Special Rating Area NPC

Annual Report and Financial Statements
For the year ended 30 June 2026

Our online report is available at www.kalkbaystjamessra.org

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1. Auditors Statement

PART A : GENERAL INFORMATION

1. *NPC GENERAL INFORMATION*

Registered name:	Kalk Bay St James SRA NPC
Registration no:	2014/187375/08
Physical address:	Kalk Bay Community Centre, 27 Main Road Kalk Bay, 7975
Postal address:	27 Main Road Kalk Bay, 7975
Telephone number/s:	0796091172
Email address:	info@kalkbaystjamessra.org
Website address:	www.kalkbaystjamessra.org
External auditors:	Harry Curtis & Co
(Appointed for a year period)	
Banker's information:	Standard Bank of SA Ltd
Company Secretary:	Gail Daniels

2. *LIST OF ABBREVIATIONS/ACRONYMS*

AGM.	Annual General Meeting
CCTV.	Closed Circuit Television
CEO	Chief Executive Officer
CID	City Improvement District
CFO	Chief Financial Officer
CCT	City of Cape Town
DSD	Department of Social Development
GM.	Appointed General Manager of the KB/SJ SRA
KB/SJ RRA.	Kalk Bay and St James Ratepayers and Residents Association
KB/SJ SRA.	Kalk Bay St James Special Rating Area, a registered CID of Cape Town
KPI	Key Performance Indicator
LEO	City of Cape Town Law Enforcement officer employed by the City's Police services and through them given dedicated policing responsibilities in the SRA area.
NPC	Non-Profit Company as established in accordance with the Companies Act 70/2008
SANParks	South African National Parks
SAPS	South African Police Service
SCM	Supply chain management
SDC	Social Development Co-ordinator

3. *FOREWORD BY THE CHAIRPERSON*

During 2025/26 the SRA made significant progress in the work to ensure a clean, safe and socially caring community and environment in the Kalk Bay and St James area.
The strategic intent for the year reflected in our business plan was to achieve this through:

- **a.** Targeted day time foot patrols supported by a patrol car 24 hours per day
- **b.** Night-time monitoring through use of 43 SRA installed surveillance cameras
- **c.** Regular meetings and interaction with Law Enforcement, SAPS and our contracted security service providers.
- **d.** Contracting of a 'rent a Cop' through the City's Law Enforcement dept in order to strengthen our existing safety and security service
- **e.** Provision of additional safety support services during the busy end of year holiday season.
- **f.** The deployment of a supervised cleaning squad providing cleaning services every 2 weeks in 47 roads not covered by the City of Cape Town cleaning services.
- **g.** Ensuring City follow-up on left rubbish on days of rubbish clearing.
- **h.** Provision of advice and referral service for homeless people in the area.
- **i.** Regular meeting and interaction with relevant state and volunteer organisations working in the area and with the CID's in immediately surrounding areas.
- **j.** The provision of support to volunteers developing and maintaining public garden and open space in the area
- **k.** Extending support to the Haven in providing a service to reduce the number of people sleeping on the street and to help those using the facility to develop their potential.

Within the limits of our resources these activities served to achieve our strategic objectives. However the activities highlighted some key gaps:

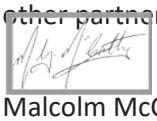
- **a.** Ensuring a structured and financed plan for the replacement of security cameras at the end of their useful life.
- **b.** Constraints on ensuring a better financial balance in contributing to social development and environmental priorities
- **c.** The lack of structured ways to deal with community issues impacted by the large number Prasa owned properties in the area
- **d.** The need for a better developed and resourced programme for communication with the broader community

The successes were achieved through the hard and committed work of the SRA Manager, the 7 volunteer board members, a few other volunteers, the outsourced companies and the positive and close co-operation with other organisations in the area including the City of Cape Town, SAPS, Law Enforcement, KBSJ Ratepayers and Residents' Association and the Haven Night Shelter.

The following new directors joined the Board elected at the AGM '25 Ruth Lewin, Peter Barron Erica Gillard and Florian Blochliger. Roderick Bothman was co-opted by the Board particularly to assist with the financial portfolio. (See A full list of Board members in Section 9)

Given the growing work responsibilities, the Manager's full-time position was maintained in line with existing duties and responsibilities.

I thank the General Manager, Gail Daniels, my fellow board members, and our contracted and other partners in contributing to a successful year in achieving the objectives of the SRA.



Malcolm McCarthy
Chairman KBSJ SRA NPC
September 2026

4. *TREASURER'S OVERVIEW*

4.1 Operational Budget and Expenditure

During the financial year ending 30 June 2026 the total expenditure was R3,541,878. The operational costs related to our core business of safety and security, cleansing, environmental upgrading and social upliftment accounted for R2,243,840 (63%). Projects and capital expenditure made up R434,425 (12%). The balance of 25% was split between employee costs, general expenditure, depreciation, and maintenance and repairs. The details of the 2025/26 expenditure are contained in Appendix 1.

The detailed budgets for 2026/27 and 2027/28 are also contained in Appendix 1.

4.2 Surplus Funds

On 1st July 2026 the SRA had cash in the bank R1 657 499. After considering the expected refund from the City of Cape Town in September 2026 for bad debts, some accounts payable and retention of two months' reserve for cash flow risks, the total cash amount potentially available for capital expenditure and projects was
R1 148 930.

An amount of R100 000 for camera replacements, and R40 000 for environment and social development was approved at the 2025 AGM. In addition, R220 000 has been approved by the Board as a contribution to the cost of employing the law enforcement officer (LEO).

After providing for all the above an uncommitted (conservative) amount of R788 930 is available for other projects. The Board proposes that some of this money be used as follows:

	ITEM	AMOUNT
1	Further Camera replacement 2026/27	R 65 000
2	Cleansing over festive season 2026/27	R 20 000
3	Additional security over festive season and daytime camera monitoring 2026/27	R 50 000
4	Composting of waste (with Haven)	R120 699
Total 2026/27		R255 699

The AGM is requested to endorse and approve this expenditure.

In addition, the Board proposes the following capital expenditure and projects in 2027/2028 to the AGM for approval.

ITEM	AMOUNT
Camera Replacement	R90 000
Law Enforcement Officer	R250 000
Festive Season Security – Dalebrook Pool and Daytime Camera monitoring	R60 000
Haven - Beach Cleaning	R20 000
TOTAL	**R420 000**

4.3 Spend by Portfolio

The following represents comparisons in the expenditure of the operational budget and the budget allocation by portfolio.

4.3.1 Operational Budget - Portfolio Spend and proportions

PORTFOLIO	EXPENSES 25/26		BUDGET 26/27	
	AMOUNT(R)	%	AMOUNT (R)	%
Safety and Security	1 591 464	76	1 890 200	77
Cleaning	331 193	16	350 000	14
Environment	45 565	2	80 000	3
Social Development	126 325	6	139 000	6
TOTAL	**2 094 547**	**100**	**2 459 200**	**100**

4.3.2 Surplus Budget – Portfolio Budget and Capital expenditure and proportions

PORTFOLIO	EXPENSES 25/26		BUDGET 26/27	
	AMOUNT (R)	%	AMOUNT (R)	%
Safety and Security	**193 420**	45	**575 000**	76
Cleaning	**36 545**	9	**20 000**	3
Environment	**153 588**	36	**140 699**	19
Social Development	**43 278**	10	**20 000**	3
TOTAL	**426 831**	**100**	**755 699**	**100**

Our 2025/2026 audited financial statements reflected an unqualified audit report. The Audit fees totalled R15 000.

Peter Barron
Treasurer
Kalk Bay St James SRA NPC
September 2026

5. *STATEMENT OF DIRECTORS' RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT*

We confirm that, to the best of our knowledge:

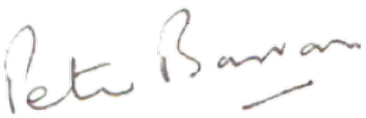
- **a.** All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Harry Curtis & Co.
- **b.** The directors consider the annual report, taken as a whole, to be accurate, fair, balanced and free of material omissions.
- **c.** The Financial 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.
- **d.** The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the Board on 4 September 2026 and signed on behalf by:



_____

Chairperson of the Board
Malcolm McCarthy



_____

Treasurer
Peter Barron

6. STRATEGIC OVERVIEW

6.1 Vision

The area of the Kalk Bay and St. James Special Rating Area (KBSJ SRA) extends from Carisbrooke Steps on the St. James/Muizenberg border to Quarry Road in Kalk Bay. This small, unusual and beautiful area, which is primarily residential, is located on the narrow strip of land between False Bay and the Kalk Bay mountains that form part of the Table Mountain National Park. In 2026 the Kalk Bay area was voted the 31st most popular neighbourhood in the world in the Timeout survey.

The area has a small population of approximately 2,500 compared to approximately 10,000 in Fish Hoek and 6,000 in Muizenberg. The community is diverse in terms of its racial, ethnic and religious backgrounds. Wealthier and poorer residents have shared this beautiful living environment in harmony for generations. This diversity contributes greatly to the special character of the village. The overwhelming view of the community is that the quality of life we share must be preserved.

The SRA's vision is to ensure at we have a clean, safe and sustainable urban environment, for the benefit of all who live and work in the KBSJ SRA, in partnership with the CCT and other stakeholders. We endeavour to extend this vision to cater for the many visitors that enjoy our beautiful coastal land and the recreational facilities that are within the SRA's defined boundaries.

6.2 Mission

The KBSJ SRA was formally established in 2014 providing supplementary public safety, urban maintenance, and urban cleaning services in close cooperation with the various City Departments as well as South African Police Services (SAPS). The formation of KBSJ SRA enabled the establishment of a statutory body to manage and implement the supplementary services in addition to those provided by the City of Cape Town. The property owners from the area pay an additional rate to fund supplementary services for the specified area as set out in the business plan.
The KBSJ SRA mission is to ensure:

a. Continuous and sustainable improvements to the Public Safety of its residents, businesses, and visitors.
b. The Kalk Bay St James community can enjoy safe and clean public areas.
c. The area retains its peaceful, friendly and vibrant mix of residences and businesses that blend well with the natural beauty of the coastal belt and mountains that border us.
d. Residents, businesses and visitors continue to respect the natural and built environment by keeping it clean and encouraging indigenous biodiversity and retention of our heritage.
e. Community spirit is encouraged through regular communication and community events

6.3 Values

The SRA is committed to the following values:
Transparency: Open decision-making so that stakeholders can readily discern our outputs and outcomes.

Accountability: We answer for the execution of our responsibilities.
Performance: We will strive to achieve our strategic objectives.
Stakeholder inclusivity: We will carry out our activities considering the needs, interests and expectations of all our stakeholders.
Social responsibility: We aim to deliver economic, social and environmental benefits for all our stakeholders.
Sustainable development: We will meet the needs of the local community without compromising the ability of future generations to meet theirs.

7. STATUTORY MANDATE

In terms of the CID By-law and s.22 of the Municipal Property Rates Act, the Kalk Bay St James SRA NPC is tasked with considering, developing and implementing improvements and upgrades to Kalk Bay and St James to supplement services provided by the CCT. The funding comes from additional rates collected by the CCT from CID property owners and paid over to the company under the aforesaid legislation, as may be supplemented by local fundraising initiatives. In expending these funds, the company is subject to oversight by the CCT in terms of the CID By-law and Policy, as well as public procurement principles enshrined in s.217 of the Constitution of the Republic of South Africa, 1996.

8. ORGANISATIONAL PROFILE

In achieving the SRA's objectives this the Board has attempted to use it financial resources obtained through the CID rate levy to ensure the ethical deployment of these resources and building o-operative relationships with other stakeholders in and outside the area committed to achieving the SRAs objectives.

As front line, the SRA employs a single permanent staff member, a General Manager, who has, over a number of years, provided a strong and committed base to co-ordinate the work of the SRA. Our membership, which as of June 2026, consisted of 212 members (with a total of 260 votes) with St James 93 (127 votes) and Kalk Bay with 119 members (133 votes), are kept informed and invited to comment and participate in the roll out of the work of the SRA. They also have the opportunity to contribute to the direction of the SRA's work through participation in the AGM, in the election of the Board and in the open invitation to address the Board on matters of concern in 30 minute slots set aside before each Board meeting.

The SRA has to date augmented its limited staff complement through the outsourcing of key delivery functions to the private sector through legally constructed contracts, the performance of which is monitored through a system of recording contractor performance and regular weekly meetings, used in assessing performance as well as dealing with any issues related to the service delivery.

During the year under review the SRA had the following service delivery and support contracts:

a. **Ithuba** for the provision of safety patrols and back up services during the night and daytime and during the December/January holiday period as well as camera monitoring during the same period.
b. **Omnivision** – For the nighttime monitoring of the camera feeds with established communication system to Ithuba to inform Ithuba's nighttime responses

c. **RUBICS** to maintain the camera system and inform the SRA of any camera improvement or replacement needs. This contract ended on 31 March 2026. and, in line with the SRA's procurement policy, a new contractor was appointed.
d. **RSL Technology** contracted to undertake maintenance of the SRA cameras from 1st April 2026
e. Cit**y Law Enforcement Officer (LEO)** The SRA entered into a contract for the deployment of a City LEO to provide law enforcement services in the SRA area. The LEO service will commence on 1st July 2026.
f. **SPMG** to undertake the cleaning services operated through the SRA
g. **Anna Els** contracted for 12 hours per week to provide social services within the work of the SRA including services to homeless people in the area.

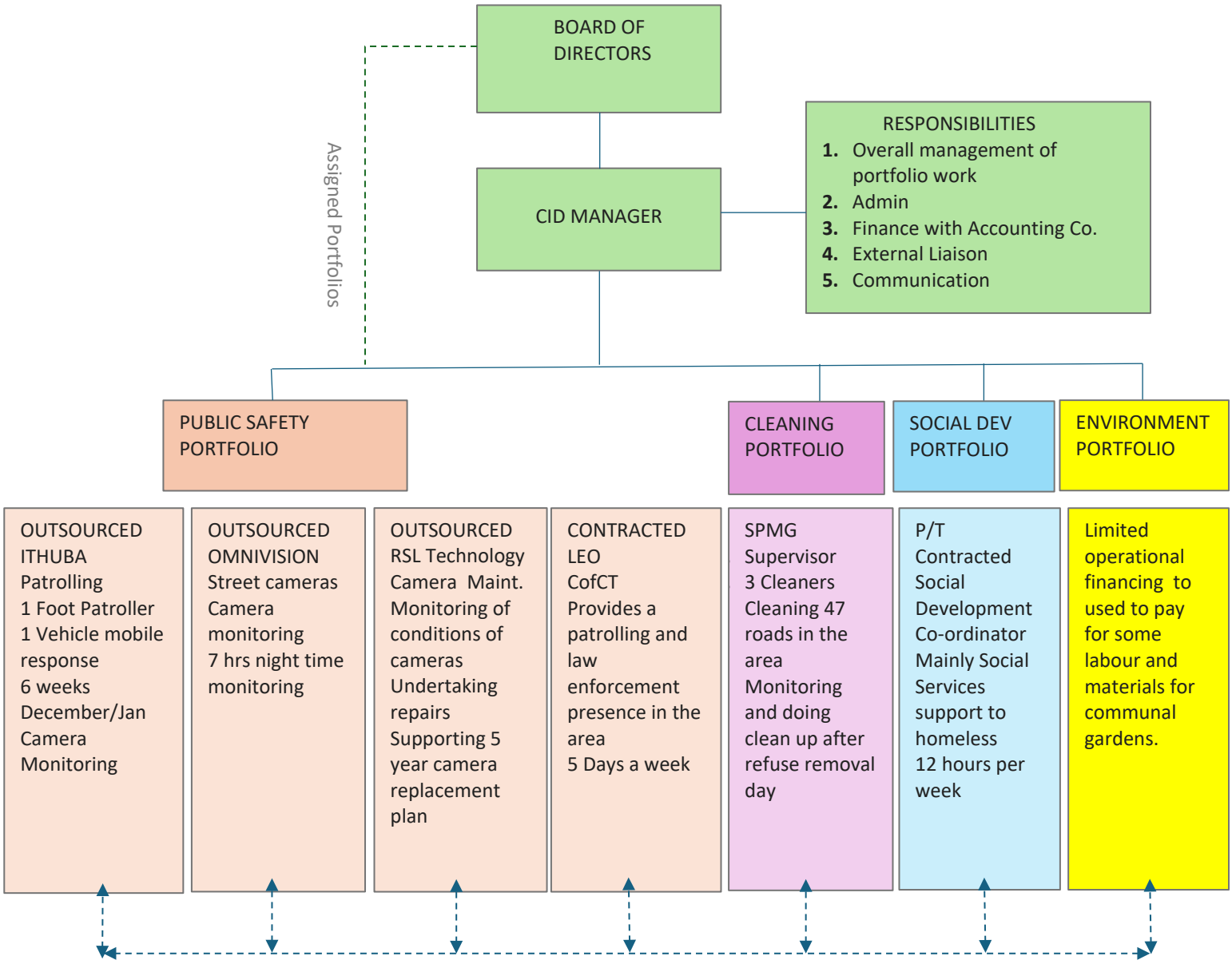
In addition to these contracted agents, the SRA has strengthened its co-operative links with organisations and individuals providing services in the area. This includes
Statutory Organisations: SAPS, City Departments including importantly, CID, Refuse and Cleansing, Costal Management, Parks and Recreation and Law Enforcement.

It has also done so with local community groups, organisations and individuals in the area including with the Haven Night Shelter, the KB/SJ RRA, Lever Street park committee, and individuals developing and maintaining 4 public garden spaces in the area.

This co-operation takes place through informal interaction with the GM and board members, weekly meetings on safety and Security, social development and cleaning, ad hoc meetings to discuss issues and/or projects.

9. *ORGANISATIONAL STRUCTURE*

During the past year our organisational structure was as follows



STAFF

NAME	RESPONSIBILITIES
Gail Daniels	Overall operational management of the SRA + Company Secretary

BOARD

MEMBER	DATE ELECTED	PORTFOLIO
Malcolm McCarthy	Elected October 2025	Chair Temporally Social Development Portfolio
Ruth Lewin	October 2025	Vice Chair
Jean de la Harpe	October 2025	Safety and Security Portfolio
Florian Blochliger	October 2025	Safety and Security Portfolio
Peter Barron	October 2025	Co- Treasurer
Erica Gillard	October 2025	Environment and Cleansing Portfolios
Gamat Fredericks	Elected October 2025 Resigned Feb 2026	Social Development Portfolio- Resigned because moving out of the area and no longer a member
Roderick Bothman	Co-opted October 2025	Co-Treasurer
Bert Stafford		Chairperson until Oct 25

CONTRACTED SERVICE PROVIDERS

(see Part A – 8 above)

PART B: PERFORMANCE INFORMATION

1. *SITUATIONAL ANALYSIS*

1.1 Service delivery environment

a. The public safety goal is to provide a safe and secure area by deploying contracted public safety patrollers that provide a comprehensive public safety service as outlined, as well as contracting with the City of Cape Town for the deployment of a law enforcement Officer (LEO) to the area. Options will also be considered whereby community safety could be enhanced by alternative or additional means, including by community participation.
b. The current mandate of the cleansing portfolio is to concentrate on areas not maintained by the City Council (i.e.. all residential streets other than the Main Road, Boyes Drive and Clairvaux Roads). KBSJ SRA has contracted a cleaning company with three full time cleaners for this purpose. Although maintenance of public spaces, including parks, is a responsibility of the City, many private initiatives by local residents greatly assist in the maintenance of our public spaces and gardens.
c. The SRA has a social development co-ordinator contracted on a part-time basis to deal with social issues in our community. In addition the intention is to work with the Haven Night Shelter and other community groups in the area, in their efforts to extend support to people in the area who are homeless.

1.2 Organisational Environment

The SRA operates within the vibrant and diverse community of Kalk Bay and St James. As a proactive community driven and funded organisation, the SRA is dedicated to enhancing the quality of life for residents, visitors and businesses within its boundaries.

Much of the SRA's direct service provision is outsourced with strong contractual agreements and systematic co-operation with the service providers as well as structured monitoring of their delivery. More broadly the SRA relies on close co-operation with statutory and private institutions both non-profit and for profit.

The prime safety services are through outsourced contracts for patrolling and rapid response, camera surveillance and camera maintenance. There is a similar approach with the SRA's cleaning services. In addition, the SRA also relies on close co-operation with the Policing Forum, SAPS and the City of Cape Town Law Enforcement and cleansing services.

Our work on social development requires close co-operation with the Haven Night Shelter and the City's Social Development Department. We also maintain strong informal links with the Kalk Bay St James Ratepayers and Residents' Association and with the established CIDs in Fish Hoek and Muizenberg.

To date the SRA's work on environmental issues has focussed on the development and maintenance of open spaces with support for volunteer initiatives to provide parks and gardens.

Ithuba has continued to provide a quality service, often going beyond the requirements of their contract. Omnivison too, has continued to provide a reliable service in monitoring the cameras, working well with Ithuba on the ground.

There were problems with the quality and costs of the camera maintenance services. These were discussed with and formally raised with the contracted party. At the end of the contract, the SRA retendered the contract and appointed a new contractor with requisite skills and rates lower than the previous contract. The new contractor commenced in April 2026 and has, to date, demonstrated an ability to deliver within the agreed cost structure. The contractor has also contributed technical knowledge in the preparation of a 5-year plan on camera maintenance and replacement.

There is now also a signed contract with the City's Law Enforcement Directorate for the deployment of an LEO. Some delays occurred in the Board approval for this contract as its costs were not included in the 5-year operational budget of the SRA. Finally, it required use of the project surplus budget and a small re-allocation in the operational budget to achieve the necessary funding commitment. The contract is for 1 calendar year from 1st July 2026 with the possibility of renewal after assessment of the usefulness and the impact. Contingency arrangements are in place to ensure sufficient funds are available should the contract continue until the end of the 5-year budget period. Thereafter is proposed that this contract is written into the operational budget of the SRA.

2. *STRATEGIC OBJECTIVES*

Strategically, as per the SRA' 5 year business plan (available on the SRA website), the SRA works in partnership with the City of Cape Town and the property and business owners and community groups with the objective of uplifting the area by maintaining a level of safety and cleanliness to promote the use of and investment in the area and to support initiatives that enhance the environment in the area a create greater inclusivity in the area through social development projects. . This is achieved through:

a. Improved Public Safety through proactive visible patrolling and cooperation with existing SAPS and City of Cape Town Law Enforcement efforts as well as other security service providers in the area.
b. Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces.
c. Supporting maintenance and improvements to the public open spaces.
d. Support and promotion of social responsibility in the area and initiatives to stimulate sustainable community development projects.

3. *COMPLAINTS PROCESS*

KBSJ SRA offers numerous channels for dealing with complaints. Formal complaints are lodged with the KBSJ SRA management via email. If received telephonically, verbally or through other channels, the complainant is asked to put their request in writing to alleviate any miscommunication or misinterpretation. KBSJ SRA management acts on the complaint including one or more of the following actions:

a. Referring serious complaints to the Board
b. Meeting with the complainant to understand the problem and address the issue
c. Scheduling the necessary tasks or actions to resolve the matter
d. Where appropriate, logging a service request with the City of Cape Town
e. Communicating with the complainant on the actions taken and until the matter is resolved
f. Follow-up process and communication with the complainant until the matter is resolved

Most of the complaints relate to crime incidents or perceived criminal activity and illegal dumping, broken infrastructure and failure to collect rubbish and/or leaving debris when clearing rubbish. Unless an immediate response is required, safety and crime incidents are dealt with through our weekly meetings with the SAPS or through the adjustment of our public safety deployment plans. With the employment of the LEO, this will help prioritising his activities. include assisting in the prioritising of the activities of the LEO.

Approximately 524 public safety complaints/requests for assistance were received during this period (see 4 below).

Approximately 230 queries/complaints regarding cleansing/illegal dumping issues were received during this period Illegal dumping is either cleared by the KBSJ SRA cleaning team where possible or, if necessary, a service request is logged with the City of Cape Town and followed up until completed.

Approximately 170 queries/complaints regarding social issues were received during this period. Social development complaints, e.g. vagrancy, street children, begging, people sleeping on the streets and homelessness, are dealt with by our Social Development co-ordinator. Where necessary assistance is given by our public safety contractor, Ithuba.

The Board has always been mindful of the need for interaction with our members and have from the outset always allocated the first 30 minutes of any board meeting to open engagement with members of the community to raise concerns.

4. *PERFORMANCE INFORMATION*

Action steps, indicators, frequency and comments are provided, but the prescribed planned target, actual achievement, deviation and comments columns are not used consistently.

4.1 Public Safety

Ithuba has continued to provide an excellent patrolling and rapid response service. To augment this important service, the SRA Board has contracted with the Law Enforcement services to have a Law Enforcement Officer (LEO) dedicated to the SRA area. The LEO will commence work on 1 July 2026 and work 5 days a week in close co-operation with Ithuba. His/her responsibilities will include, where appropriate, the enforcement of municipal by-laws. While the LEO is under direct management of the City Law Enforcement department, the SRA will work closely with them to define the priorities for the LEO's work.

The SRA owns and has access to a network of 45 cameras which are maintained by a contracted service provider. The cameras are monitored at night by a contracted service provider with direct communication link with Ithuba's nighttime patrollers. The monitoring is now also undertaken in the daytime, for 6 weeks, during the busy December/January holiday season.

A key issue for this to work is the proper maintenance and replacement of cameras. The SRA recently appointed a new service provider to undertake regular maintenance. In addition, it will, in the new financial year, develop a 5-year programme for camera replacement with ring fenced budget to resource this.

A key part of the monitoring of this service is provision of incident reports from Ithuba and Omnivision. These are used, particularly to inform the weekly discussions between the SRA and Safety service providers. The SRA Board has recognised the need to strengthen this monitoring to help in better understanding trends on safety in the area.

Public safety patrollers and our public safety service provider, Ithuba, responded to 524 incidents between July 2025 and June 2026 during dayshift. The primary issues reported included the following: suspicious vehicles; incidents/altercations; apprehending suspects; assisting with arrests; assisting the public; assisting L/E/Saps/MM, etc; vagrancy & street children; reports doors/windows/gates left open/unattended vehicles found unsecured; valuables left unattended.

Nightshift has a different incident reporting system, averaging approximately 100 callout messages received between 22h00 and 5h00 per night. Many of these are linked to harmless resident and visitor movement in the area as well as homeless persons finding spaces to sleep. There were, however, a limited number of serious issues linked to break ins and vandalism.

The SRA also continues to promote and assist the following initiatives or organisations:

a. Use by local residents and businesses of the SRA sponsored WhatsApp group as another community tool in monitoring and assisting in addressing public safety. Members of the WhatsApp group have access to the Public Safety contractor's supervisor via mobile phone, as well as the Public Safety contractor's call centre which responds to any call for assistance.
b. Provision of additional safety services during the December/January high season.
c. The CID continues to maintain a close working relationship with SAPS Muizenberg, City Law Enforcement, Baywatch neighbourhood watch, the Kalk Bay Business Association and SANParks. Representatives of all these bodies regularly attend the SRA weekly security meetings.
d. There is also close liaison with the Social Development Co-ordinator, particularly in relation to the homeless people and unsupervised children.

Public Safety Resource Allocation

	2025/2026			2024/2025		
Service/Project components	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure
Public Safety	R1 365 880	R1 336 657	-R29 223	R1 286 500	R1 230 934	R55 566
CCTV Monitoring	R270 000	R254 707	R15 293	R250 000	R230 915	R19 085

4.2 Maintenance and Cleansing Services

The mandate of this portfolio is to concentrate on areas not normally maintained by the City Council (i.e. all residential streets other than the Main Road, Boyes Drive and Clairvaux Roads).
The SRA has a contracted cleaning company with three full-time cleaners to top up any cleaning services offered by CCT. The service they provide includes:

a. Clean-up of all areas on days that CCT collects residents' rubbish
b. Cleaning of areas not accessible by CCT (mainly stepped roads
c. Cleaning of areas not serviced by CCT services

Forty seven (47) streets are cleaned every second week on a rotating basis. Tuesdays are dedicated to pick up of litter left by CCT waste collection on Mondays – this presents a significant challenge in view of the layout of Kalk Bay/St James and the inability of many residents to use CCT dustbins for refuse collection. The sweepers also report to the SRA manager any issues that require the attention of CCT or the Board. This year the SRA supported the Haven in their initiative to clean Harbour Beach during the December/January high season. This was done alongside the CCT and other groups.

Maintenance and Cleansing Services Resource Allocation

Service/ Project components	2025/2026			2024/2025		
	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure
Cleansing Services	R340 000	R333 193	R6 807	R348 000	R328 468	R19 532
Urban Maintenance	0	0	0	R30 000	R29 233	R67

5. *ENVIRONMENT*

The SRA contributes to maintenance and improvement of parks and public gardens in the area, with permission from CCT Parks and Recreation. These are mainly a community-based initiatives, but the SRA assists with funding where appropriate and in the interest of residents and businesses. Included is Lever Street Park, Dalebrook Gardens, Danger Beach Park and Community Garden.

Environmental Services Resource Allocation

Apart from the cleaning work and the contributions to public gardens and parks, the SRA did not undertake any other work on environmental issues. This requires more attempts to target some SRA resources to broader environmental issues.

Service/Project components	2025/2026			2024/2025		
	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure	Budgeted Expenditure	Actual Expenditure	(Over)/Under Expenditure
Environmental Upgrading	R70 000	R45 465	R24 535	R106 000	R56 937	R49 063

5.1 Social Upliftment Services

The CID currently contracts a Social Development Co-ordinator (SDC) on a part-time basis for 12 hours per week. The primary purpose of SDC is to provide individual counselling and practical support to homeless people. She does this in close co-operation with ITHUBA and the Haven Night Shelter

The SDC works hand-in-hand with the CID Manager and Public Safety contractor and attends weekly meetings with them. The importance of this portfolio, and the successes achieved by the SDC, has thus far have been well documented in the CID's communications to the CID's residents.

In addition the SRA has worked to strengthen its co-operative relationship with the Haven Night Shelter in their efforts to assist homeless people in the area and to provide opportunities for them to earn an income and to become ready for independent living.

The Social Services co-ordinator facilitates referrals to a number of organisations able to help with individual cases including CCT and Provincial Social Development Departments, Haven Night Shelter, Street Children WCSCF, City Shelters, UTurn, Living Hope and public hospitals serving the area.

Referrals to PRASA relate to homeless people sleeping on PRASA owned property on the seaside of Main Rd.

To date this service has concentrated mainly on the provision of social work support and has not initiated any sustainable community development work. It is hoped that in future, working with the Haven Night Shelter as a catalyst, it will be possible to structure such projects.

Social Services Performance and Resource Allocation

CATEGORY	**NOS.**
Females	206
Males	448
Children	66
REFERRALS:	
Hospital	3
City of CT Social Development	12
Haven Night Shelter	16
UTURN – Homeless Support	0
LIVING HOPE – Homeless Support	0
Dept. of Social Development	2
PRASA	67
SUCCESSES:	
Home /family	2
Work	4
Shelter	7
Left	8
Death	1
SUCCESSES:	2
Home /family	4
Work	7

Social Development Resource Allocation

	2024/2025			2023/2024		
Service/Project components	Budget	Actual Expenditure	(Over)/Under Expenditure	Projected Expenditure	Actual Expenditure	(Over)/Under Expenditure
Social Upliftment	R135 500	R126 325	R9 175	R150 000	R149 680	R320

6. *COMMUNICATION*

6.1 Intent

The intention of the Communication strategy is the following:

a. To keep members, ratepayers and residents appraised of the work done by the SRA

b. To provide the mechanisms for members and other community members to input into the strategy and actions of the SRA.
c. To provide mechanisms for members and community members to register incidents that could require action within the SRA's delivery activities

The intended output of the strategy:

Informed members of the SRA and other residents and businesses in the area about the services of the SRA and how they are delivered in order that they can give feedback on the quality and the impact of the service as well provide indicators of its usefulness.

6.2 Action Plan

To fulfil the objectives of this strategy the SRA has put in place the following instruments and activities:

a. A website providing up to date information on the SRA and its activities
b. A WhatsApp group for members and other interested people to inform them of SRA activities as well as issues in the area e.g. maintenance alerts impacting the area.
c. A newsletter to members sent every 3 months highlighting key SRA and community issues
d. Telephone and e-mail access to the General Manager to raise and discuss issues
e. A 30-minute slot preceding the SRA Board meetings to discuss any issues related to the community and the mandate of the SRA
f. A programme to meet with key groups and individuals in the area to share the intent of the SRA and explore issues for co-operation and ways of realising this co-operation.

6.3 Performance

Forty-three (43) communiques were sent during the year either as newsletters or news flashes. The GM received 3 compliments regarding communication and 1 for the cleaning. However, the cleaners report often of compliments from residents for the work they do.
There was one complaint regarding communication.

6.4 Assessment and Key Issues for Communication Strategy

While the SRA provides regular information on its activities it is difficult to know whether this has any impact on the knowledge and/or involvement in the work of the SRA. The most significant communication interaction with members takes place at the SRA's AGM, scheduled for October 2026. The proposal to meet with local groups around CID issues linked to their programmes has moved slowly but is worth pursing in the coming financial year.

6.5 Resource Allocation

The budget for communication was R5 000. However, some of the GM's time is given to this as there is limited time of Board members.

PART C: CORPORATE GOVERNANCE

1. APPLICATION OF KING IV

In recognition of the fact that the NPC is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, the NPC voluntarily subscribes to the King Code of Corporate Governance for South Africa 2016 ("King IV"), which came into effect on 1 April 2017. King IV contains a series of recommended reporting practices under the 15 voluntary governance principles.
The practices applied by the company are explained in this part (Part C), of the Annual Report. In determining which reporting practices to apply, the board took account of, among other things, the CCT's policy, and the reporting protocols appropriate to a nonprofit entity such as the NPC.

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

2. GOVERNANCE STRUCTURE

2.1 Board Composition

The Board is satisfied that the Board of the NPC is compiled by a representative group of directors representing the interests of the varied property owner groups within the KBSJ footprint. Until the AGM in October 25 there were 4 Board members, 7 Board members were elected at the AGM. The Board members are listed in Section B9 above

2.2 Board Observer

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

2.3 Appointment of the board

An Annual General Meeting is held every year to review the performance of the CID and to confirm the mandate of the members. The AGM held in October 2025 was quorate and elected 7 members to the Board At the first Board meeting the Board co-opted Roderick Bothman to the Board as co Treasure. The other portfolios were allocated to Board members as per the Table in section B9.

2.4 Overview of the board's responsibilities

The Board oversaw the day-to-day delivery of the additional services according to the Business Plan. In executing this task, the Board:

a. Identified strategies to implement the NPC's business plan in a manner that ensures the financial viability of the company and takes adequate account of stakeholder interests.
b. Monitored compliance with applicable legislation, codes, and standards.
c. Approved the annual budget and subsequent reviews.

d. Oversaw the preparation of and approving the annual financial statements for adoption by members.
e. Exercised effective control of the NPC and monitoring management's implementation of the approved budget and business plan

2.5 Board charter

The Board is satisfied that it has fulfilled its responsibilities under the board charter during the period under review. The charter is available on the Company website.

2.6 Director Independence

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

2.7 Board Committees

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

2.8 Attendance at board and committee meetings

The boards convened 5 times in the period under review. The table below details attendance at board meetings.

Member	3 Nov 25	1 Dec 25	2 Feb 26	23 Feb 26	31 Mar 26	18 Jun 26
Malcolm McCarthy (Chair)	✓	✓	✓	✓	✓	✓
Ruth Lewin Vice chair	✓	✓	Apology	✓	✓	✓
Jean De La Harpe Safety and security portfolio	✓	✓	✓	✓	✓	✓
Florian Blochliger Safety and security portfolio	✓	✓	✓	✓	Apology	Apology
Rodrick Bothman Co-opted Co Treasurer	✓	✓	✓	✓	✓	✓
Peter Barron Co Treasurer	✓	✓	✓	✓	✓	✓
Erica Gillard	✓	✓	✓	✓	✓	✓
Gamat Fredericks (Social Development Portfolio)	✓	Apology	✓	✓		
Gail Daniels (SRA Manager)	✓	✓	✓	✓	✓	✓
Cllr Izabel Sherry		Apology	Apology			✓

2.9 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. This Guide is available of the SRA's website.

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.

2.10 Board oversight of Risk Management

The risk management strategy covers the key areas of finance, procurement and external contracting and internal company risks.

The Financial risk management is undertaken through detailed operational and surplus project budgeting that is prepared by the GM and contracted bookkeeper but requires Board input and approval. Expenditure against budget is monitored monthly by the Treasurer and every 2 months by the Board. To assist this the SRA uses the City's required financial reporting and monitoring structure. In addition, monthly payments of expenses require the approval of 2 Board members with sign off resting with the treasurer. There are no breaches of this rule as is evidence in the clean audit obtained for the financial year.

The SRA uses an outsourcing model for the provision of its service. This is governed by detailed procurement rules and a system for monitoring and interacting with contracted service providers. The delivery objectives are well defined and there is weekly meeting to discuss progress and iron out difficulties. The Board members receive regular minutes of these meetings. These contracts are working well except for problems with the camera maintenance service which came to an end in March 2026. In line with the Company's procurrent rules the contract was advertised with assessment by a procurement committee consisting of the GM and 2 Board members. A new service provider was chosen and contracted with a signed contract agreement. All other service providers are meeting the terms and conditions of their contracts.

Internally the GM has continued to perform in terms of her contract. The Chairman meets with her at least every 2 weeks to monitor the work she is doing and resolve any company issues. Further she works closely with the treasurer in ensuring proper financial management actions as well as financial controls.

The other internal management risks involve an over dependence on the General Manager with her historical knowledge of the work and her developed network. It is important for the successful functioning of the SRA. Some of this risk is mitigated in the hands-on nature of support from the Board members. However, this is very dependent upon both the commitment and skills of Board members.

An important part of managing the risk is the integrity of the Board members and the staff members. While this is difficult to formally prescribe, it is a significant factor in the case of the Board and one staff member.

The question of the gathering and storage of member information regarding what information is permitted and the protection of such information, requires further consideration of the gathering of such information and the storage.

A further risk is the maintain Board commitment and continuity. In the past there was a relatively large turnover of Board members. In part that is a result of changing circumstances of individuals. However, there is also the fact that there is not always a consensus vision for the strategic direction of the SRA. Managing this would require that Board members spend time crafting a shared vision incorporating all the intentions of the City's CID program However, this would require the sacrificing of time and sufficient commitment to address these differences.

While the risk management policy and strategy in place were rigorously implemented and managed potential risks, there was no formal review of the strategy in this financial year.

PART D : FINANCIAL INFORMATION

1. AUDITORS REPORT

KALK BAY AND ST JAMES SRA NPC

(REGISTRATION NUMBER : 2014/187375/08)

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

GENERAL INFORMATION

Country of Incorporation and Domicile	South Africa
Nature of Business	Providing Services to the Special Rating Areas of Kalk Bay and St James
Directors	M McCarthy (Chairman) A Blochliger E Gillard J De La Harpe P Barron R Bothman R Lewin
Registered Office	27 Main Road Kalk Bay Cape Town 7975
Business Address	27 Main Road Kalk Bay Cape Town 7975
Postal Address	27 Main Road Kalk Bay Cape Town 7975
Bankers	Standard Bank
Company Secretary	G Daniels
Auditors	Sommerville and Associates Inc
Company Registration Number	2014/187375/08
Tax Reference Number	9996/630/15/9
Preparer	The annual financial statements were independently compiled by J Oelofse CA (SA)
Issued Date	14 August 2026

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The reports and statements set out below comprise the annual financial statements presented to the directors:	
Directors Responsibilities and Approval	4
Directors Report	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 - 13
Notes to the Annual Financial Statements	14 - 15
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	16

DIRECTORS RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in their report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board 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 external auditors are responsible for auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 and 7.

The financial statements set out on pages 8 to 15, which have been prepared on the going concern basis, were approved by the directors and signed on their behalf by :







M McCARTHY	J DE LA HARPE	R BOTHMAN

14 August 2026

DIRECTORS REPORT

1. Business Activities

Kalk Bay and St James SRA NPC is a non-profit company set up in terms of the municipal by-laws of the City of Cape Town (CoCT) which acts as the management body in respect of the Special Rating Area (SRA) determined by the CoCT in terms of Section 22 of the Property Rates Act relating to a defined geographical area. The source of revenue of the company is additional rates billed by the CoCT to the registered property owners of Kalk Bay and St James which funds are utilised to enhance and supplement services provided by the CoCT. These services include the provision of security for the common/public areas of the SRA, facilitating the upliftment of distressed areas in the SRA, promoting economic growth and sustainable development and providing other community related services.

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

2. Review of Financial Results and Activities

The financial results have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

During the year under review, the company operated independently of any shared services. The main business and operations of the company during the year under review has continued as in the past year and we have nothing to report thereon.

The financial statements adequately reflect the results of the operations of the company for the year under review and no further explanations are considered necessary.

3. DIRECTORS

The names of the directors at the financial year end are reflected on page 2.

The following appointments and resignations took place during the year :

Appointments		Resignations	
A Blochliger	13 November 2025	A Stafford	31 October 2025
E Gillard	13 November 2025	G Fredericks	23 February 2026
P Barron	13 November 2025		
R Lewin	13 November 2025		

4. EVENTS SUBSEQUENT TO THE YEAR

No material fact or circumstance has occurred between the accounting date and the date of this report which affect the financial position of the company as reflected in these financial statements.

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 sufficient funding to meet its foreseeable cash requirements.

The directors are also not aware of any undisclosed, material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Sommerville and Associates Inc

Chartered Accountants (SA)
Registered Auditors
IRBA Registration No. 902323

6 Southridge Road
Sunningdale
7441

Tel: 021 – 557 7287
Cell: 076 434 4735
Email: robinsommerville@gmail.com
Robin Sommerville (B Com) (Hons), CA (SA)

INDEPENDENT AUDITOR'S REPORT

To the Members of

KALK BAY AND ST JAMES SRA NPC

Opinion

We have audited the financial statements of Kalk Bay and St James SRA NPC set out on pages 8 to 15, which comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Kalk Bay and St James SRA NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

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

Other Information

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Sommerville and Associates Inc

Sommerville and Associates Inc
Registered Auditors
Auditor : R Sommerville
(Registration No : 748269)

14 August 2026

6 Southridge Road
SUNNINGDALE
7441

STATEMENT OF FINANCIAL POSITION

	Notes	2026 R	2025 R
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	2	392,784	363,168
CURRENT ASSETS		1,660,444	1,474,158
Cash and Cash Equivalents	3	1,657,499	1,472,157
Trade and Other Receivables	4	2,945	2,001
		2,053,228	1,837,326
RESERVES AND LIABILITIES			
RESERVES			
Accumulated Surplus		2,027,602	1,806,399
CURRENT LIABILITIES			
Trade and Other Payables	5	25,626	30,927
		2,053,228	1,837,326

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2026 R	2025 R
Revenue	6	3,274,969	3,108,866
Other Income - Surplus on Sale of Asset		131	-
Expenditure		3,164,022	2,772,807
Operating Surplus		111,078	336,059
Finance Income		110,125	92,201
Surplus Before Finance Costs and Income Tax		221,203	428,260
Finance Costs		-	2,555
Surplus Before Taxation		221,203	425,705
Taxation	7	-	-
Surplus for the Year		221,203	425,705
Other Comprehensive Income		-	-
Total Comprehensive Income		221,203	425,705

STATEMENT OF CHANGES IN EQUITY

	Accumulated Surplus R
Balance at 1 July 2024	**1,380,694**
Surplus for the Year	425,705
Total Comprehensive Income for the Year	425,705
Balance at 1 July 2025	**1,806,399**
Surplus for the Year	221,203
Total Comprehensive Income for the Year	221,203
Balance at 30 June 2026	**2,027,602**

STATEMENT OF CASH FLOWS

	2026 R	2025 R
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the Year	221,203	425,705
Adjustments	40,680	80,183
Interest Received	(110,125)	(92,201)
Surplus on Sale of Asset	(131)	-
Depreciation	150,936	169,829
Interest Paid	-	2,555
Working Capital Changes	(6,245)	(1,996)
Trade and Other Receivables	(944)	(2,001)
Trade and Other Payables	(5,301)	5
	255,638	503,892
Interest Received	110,125	92,201
Interest Paid	-	(2,555)
Cash Generated from Operating Activities	365,763	593,538
CASH FLOWS USED INVESTING ACTIVITIES	(180,421)	(31,718)
Property, Plant and Equipment Sale Proceeds	13,000	-
Property, Plant and Equipment Purchased	(193,421)	(31,718)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	185,342	561,820
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,472,157	910,337
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,657,499	1,472,157

ACCOUNTING POLICIES

1. Basis of Preparation and Summary of Significant Accounting Policies

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

These accounting policies are consistent, in all material respects, with those applied in the previous year.

1.1 Significant Judgments and Sources of Estimation Uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes, and are expected to be used over a period of more than one year.

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 is included in surplus or shortfall in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is ready 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	Useful Life
Camera Equipment	5 years
Computer Equipment	3 years
Furniture and Fittings	15 years
Solar Lights	5 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or shortfall to bring the carrying amount in line with the recoverable amount.

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

ACCOUNTING POLICIES
(Continued)

1.3 Financial Instruments

Initial Measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or shortfall) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial Instruments at Amortised Cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or shortfall.

1.4 Taxation

The NPC meets the criteria for the exemption under section 10(1)(d)(iii) of the Income Tax Act.

1.5 Borrowing Costs

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

1.6 Revenue Recognition

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

1.7 Finance Income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

1.8 Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Unauthorised, irregular, fruitless and wasteful expenditure is accounted for as an expense in the statement of income and retained earnings and classified in accordance with the nature of the expense. Where recovered, it is subsequently accounted for as other income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2026 R	2025 R

2. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Camera Equipment	980,087	684,998	295,089	351,551
Computer Equipment	34,335	31,333	3,002	11,083
Furniture and Fittings	4,550	4,549	1	534
Solar Lighting	100,713	6,021	94,692	-
	1,119,685	726,901	392,784	363,168

Net Book Value is reconciled as follows:

	NBV at Begin	Additions/ (Disposals)	Depreciation	NBV at End
Camera Equipment	351,551	79,839	136,301	295,089
Computer Equipment	11,083	-	8,081	3,002
Furniture and Fittings	534	-	533	1
Solar Lighting	-	100,713	6,021	94,692
	363,168	180,552	150,936	392,784

3. CASH AND CASH EQUIVALENTS

Cash on Hand	90	90
Current Account	33,855	256,638
32 Day Notice Account	1,623,554	1,215,429
	1,657,499	1,472,157

4. TRADE AND OTHER RECEIVABLES

Prepayments	2,945	2,001

5. TRADE AND OTHER PAYABLES

Trade Payables	-	8,959
Value Added Tax Payable	25,626	21,968
	25,626	30,927

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
(Continued)

	2026 R	2025 R
6. REVENUE		
Amounts Received from the City of Cape Town		
Additional Rates Received	3,120,878	2,930,400
Additional Rates Retention Received	154,091	178,466
	3,274,969	3,108,866

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

7. TAXATION

No provision has been made for 2026 tax as the company is exempt from income tax in terms of section 10(1)(d)(iii) of the Income Tax Act.

DETAILED INCOME STATEMENT

	Notes	2026 R	2025 R
REVENUE	6	3,274,969	3,108,866
Additional Rates Received		3,120,878	2,930,400
Additional Rates Retention Received		154,091	178,466
OTHER INCOME - Surplus on Sale of Asset		131	-
EXPENDITURE		3,164,022	2,772,807
Accounting, Secretarial and Tax Fees		56,411	42,600
Advertising and Promotions		17,653	15,654
Audit Fee		14,000	13,550
Bank Charges		8,814	7,454
Community Services		2,096,447	1,996,934
Cleaning Services		333,193	328,468
Environmental Upgrading		45,565	56,937
Public Safety - Security and CCTV Monitoring		1,591,364	1,461,849
Social Upliftment		126,325	149,680
Computer Expenses		5,479	3,323
Depreciation	2	150,936	169,829
Insurance		4,848	3,391
Printing, Postage and Stationery		4,648	5,711
Projects		233,411	29,233
Environmental		34,255	-
Cleaning		36,545	-
DBP Centenary Rejuvenation		81,333	-
Park Upgrade		38,000	-
Social Development		43,278	-
Solar Lighting		-	29,233
Protective Clothing		2,520	-
Rent Paid		9,600	9,600
Repairs and Maintenance		136,729	127,514
Salaries and Wages		410,526	336,014
Telecommunications		12,000	12,000
OPERATING SURPLUS		111,078	336,059
Finance Income		110,125	92,201
SURPLUS BEFORE FINANCING COSTS AND TAXATION		221,203	428,260
Finance Cost		-	2,555
SURPLUS BEFORE TAXATION		221,203	425,705
Taxation	7	-	-
SURPLUS FOR THE YEAR		221,203	425,705